



Daily Report

East Europe

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NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
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U.S. Proposal To Rename FYROM Criticized

AU2405114194 Sofia KONTINENT in Bulgarian
19 May 94 p 4

[Commentary by Aleksandur Strezov: "How About Upper Vardar?"]

[Text] According to a report in the Greek daily TA NEA, President Clinton is said to personally support the idea proposed by U.S. Ambassador in Athens Thomas Niles to call Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] Northern Macedonia. It would be interesting to know how this wise suggestion came about. Perhaps it is based on the comparatively harmless example of North Carolina or North Dakota, but an analogy may also be sought with North Vietnam, North Korea, Northern Cyprus, or North Yemen—all countries that are artificially divided. It is not so difficult to predict the Greek reaction to this proposal, which in principle suits Skopje's theses and adds fuel to the flames that have flared up around the name of the new republic. However, this does not at all mean that Kiro Gligorov and his comrades-in-arms will accept the U.S. proposal, despite the fact that they could not wish for more—Bulgarian Macedonia is already part of the republic, while the Greek part looks as if it is simply artificially separated from the small homeland.

It will be interesting to see if there is any official Bulgarian reaction to the name of "Northern Macedonia," which in principle also includes eastern Macedonia—in other words, the Blagoevgrad region. Skopje's appetite for our lands and the "2 million" Macedonians in Bulgaria is no secret to anyone. To prevent this, at least in words, one should ask for Macedonia to be called "Northwest Macedonia," or again, if we follow the trends in the world, we should ask for the name of "Vardar Macedonia" to be adopted. However, because the Vardar River also flows further to the south, perhaps it would be more accurate to use the name of "Upper Vardar Macedonia." However, everyone knows that the Greeks do not want the name of Macedonia mentioned at all. In this case, nothing remains but to call the country "Upper Vardar," something like Upper Volta.

All this may well sound like mockery, but it is interesting how people from across the ocean find the courage to attempt to impose their way of thinking, without even taking the trouble to familiarize themselves with the historical tangle surrounding the Macedonian question. According to political circles in Washington, the package of measures proposed, with the addition of the new name, is the best solution, and Athens should accept it. Athens will state its view on this, despite Washington's optimism, but will Sofia say something too?

DPS Accused of Encouraging 'Ethnic Separatism'

AU2405114594 Sofia KONTINENT in Bulgarian
19 May 94 p 4

[Commentary by Konstantin Subchev: "A Bosnia in the Rhodopes?"]

[Text] However much the DPS [Movement for Rights and Freedoms] as a whole wants to win for itself the humble image of an all-national centrist party, its leaders, through their incautious revelations, are doing everything possible to frustrate these intentions. This time, Osman Oktay let out in Momchilgrad that the DPS should also seize the economic power in the region by appointing its own people as directors of the state enterprises.

Accusations of separatism have been poured out against the DPS for a long time now. In the beginning, they came from the extreme nationalists and certain BSP [Bulgarian Socialist Party] leaders, so no one believed them. For too long Bulgarian society has been living with the syndrome of guilt for the "revival process" [forcible name-changing of ethnic Muslims in 1984-85].

However, people gradually returned to their senses, especially following [DPS leader] Dogan's "turn to the left," when even in the SDS [Union of Democratic Forces] people started to see the truth.

The truth is simple. No matter what posts the DPS leaders held in the totalitarian structures and what slogans they raised following 10 November 1989, they still remain the exponents of certain regional interests, and they will always act the same. The burned Bulgarian flags and desecrated monuments in the Rhodopes unmistakably prove this.

It now remains for them to recapture the last position held by the Bulgarian state in this region. For the DPS, it is of vital importance, because its electorate continues to emigrate in a southeasterly direction. Yet the movement's leaders have done nothing substantial to protect their social and economic interests. Now they have decided that, by appointing their own people to posts in the economic administration, they will manage to deceive their electorate into voting for them again.

Of course, the crazy person is not the one who eats the pie offered, but the one who permits this gastronomic prodigality.

For far too long, the state institutions have pretended to be deaf and blind to the tactics of ethnic separatism that the DPS is to all intents and purposes practising in the mixed areas in question. In many states that we call normal and extol as models of democracy, Osman Oktay would have long had his parliamentary immunity removed and been charged with treason for making such a statement.

Zieleniec Assesses Current Foreign Policy*AU2405130294 Prague RUDE PRAVO in Czech
19 May 94 pp 1,6*

[Interview with Czech Foreign Minister Josef Zieleniec by Jan Horak; place and date not given: "The Czech Republic Is No Longer a Rookie in Europe"]

[Text] [Horak] What is your assessment of the independent Czech Republic so far?

[Zieleniec] The first year of our foreign policy was really remarkable. It was very important for us to emphasize the Czech state's continuity in relation to the traditions of Czechoslovakia in the 1920's and 1930's and, in the wake of 1989, to follow up on the prestige that Czechoslovakia had in the world. It goes without saying that this year also symbolized the republic's inclusion in the international-legal structure. It meant intensive negotiations in connection with transferring the validity of Czechoslovakia's treaties to the Czech Republic. It also meant specifying our foreign policy position in relation to other countries. The same applies for countries as for people; that is, anyone who newly enters into a collective or society is faced with all sorts of pressures. We were also faced with these pressures; this is natural. It is like a rookie entering military service. He must demonstrate clearly his interests, his strengths. The same thing applies for states. I believe that this stage is behind us: The majority of states, especially the surrounding European ones, are clearly aware of our position, our interests, and our values. I am pleased that our situation is now the way it is.

[Horak] Membership in the European Union (EU) and NATO is one of the main goals of Czech foreign policy. Part of Western Europe, for example, the French socialists, object to the admission of Eastern Europe.

[Zieleniec] I would be reluctant to use phrases that specify the French socialists as part of Europe. Of course, this problem is obvious to us. States with whom we have experienced our history and with whom we share a system of values and a way of life are part of the EU. This is the family to which we belong and want to belong. If we take this as a starting point and if we agree that the absolute majority of these states realize that the borders created by the Cold War are artificial and have no civilizational or cultural justification, then this issue is placed in a different light. Naturally, the admission of a specific country represents for individual entities in various countries of Western Europe this or that problem.

The admission of a large country, for example, Poland, means a problem for agriculture in France; the EU's common agricultural policy would find it hard to come to terms with Polish agriculture today. It is possible to give many such examples. Therefore, specific special-interest groups express themselves in this or that manner. However, what I said in the introduction and what the political *creme de la creme* of the intellectual elite realize and what—in my opinion—the absolute majority of the citizens of Western Europe recognize generally applies, that is, we belong to

each other and maintaining this artificial division is not only unnatural, but is dangerous for all of us.

[Horak] Let us be more specific: What will entry into the EU actually mean for us?

[Zieleniec] Our entry into the EU may not be automatic for these reasons. Membership in the EU means many specific commitments and it is *sui generis* a transaction. This is not only a boon for us, it must also be a boon for them. In order for this to happen, we must, first and foremost, transform this state and we have to achieve what we set out to achieve in 1989: The Czech Republic must become a standard democratic Western European state with an efficient Western European-type economy. We have made a good start in this direction. I am convinced that it will not be too long before this happens. However, we must be aware of our responsibility for the integration process. I would like to emphasize one thing that is terribly important for me. One is not accepted among advanced states, we must simply become an advanced state.

[Horak] The so-called Balladur Plan says in a nutshell roughly the following: Become stable first, and then we will admit you into our structures. The Czech Republic does not quite agree with this; why has it not rejected it officially?

[Zieleniec] I would be averse to formulating the Balladur Plan the way you formulated it, and I would also be reluctant to say that I agree or disagree with such a thing. The so-called stability pact, which is now under discussion, is not for us directly linked with the issue of entry into the EU. Its starting point is the Yugoslav crisis and the attempt at preventive diplomacy. This is an attempt to ascertain the problems within Central and Eastern Europe and to try to resolve these problems somehow before they become more than we can handle. The motive or objective, therefore, is praiseworthy and, of course, we share it. The problem is that it is not only important to have proper objectives, it is also important to have the instruments for realizing these objectives. If we do not have them, these objectives may often be turned against their original aim. The key concepts for the stability pact are the ethnic minorities and the attempt to resolve this issue on the basis of these minorities' collective rights and on their international confirmation.

[Horak] Is the issue of minorities in Europe not being exaggerated?

[Zieleniec] I personally feel that the minority issue, which is common in Europe because ethnic borders cannot be drawn here, is soluble within a democratic law-governed state. This is a pillar on which modern Europe stands. Another pillar is a functioning, efficient economy. In places where these pillars have been given strong foundations and society has been erected on them, minority issues do not represent a threat to society's stability and do not become the focus of international tension. If, from this point of view, the whole of Western Europe is in principle stable, then this is because it is erected on these very pillars. It is an illusion to believe that it is possible to resolve this issue otherwise and we are also concerned that viewing it insensitively and isolating it out of context without linking it to these two pillars could

lead to a renewal of tension and to the destabilization of many states in Central and Eastern Europe. We are not against the conference on a stability pact in Europe; I think, however, that the key to resolving the problem is not a pact that would concentrate only on the minority issue, but that the solution lies elsewhere. There are two processes or two institutions in Europe that know how to deal with this type of problem: The CSCE and the Council of Europe. I would welcome it if the Paris conference, which is now under preparation, were to culminate in a recommendation to these two institutions to deal more intensely with the aforementioned issues.

[Horak] The Central European Initiative and the Visegrad Group are two such institutions of which we are members. What is your opinion of the Czech Republic's participation in them so far and of their prospects?

[Zieleniec] I would protest a little about the use of the word institution. The SEI has some of the traits of an institution, it even has a small secretariat and a regime of regular meetings, expert commissions, and so on. The Visegrad Group has nothing like this. This has always been more of a symbolic name for the meetings involving the representatives of several neighboring states. We feel that the region should live together more intensively. The problem consists of how to achieve this. We are convinced that it is incredibly important for economic cooperation to function well; it is the basis for good relations between states. Therefore, we are pushing very much for the speedy creation of a Central European Free Trade Zone (CEFTA). We are pushing for cooperation in concrete projects that are specific to the region such as, for example, the construction of railroad or other transportation networks, cooperation in the environment, and so on. We do not want political and military cooperation to become a regional activity; this would imply the formation of alternative institutions to the EU. We also do not want to organize pressure groups aimed at achieving our admission into the EU or NATO.

[Horak] We sometimes hear from Poland and Hungary that Prague is in too much of a hurry.

[Zieleniec] We do not want to leave anyone behind; we do not want to be the first at any cost. The issue is associated more with my reply to the previous question: We feel that it is impossible to become a member of the EU or the North Atlantic Alliance by means of pressure. The center of gravity for the integration process is here in our countries and we are creating a united Europe by their transformation. We would be giving our citizens the wrong sign if we were to claim that the center of gravity for integration consists of constant visits to Brussels and of clamoring for information on admission.

The SEI is an open institution to us, an institution that, by affiliating states that belong to what I would call the traditional West, such as Italy and Austria, states that are relatively advanced in transforming their economies and societies, such as the Czech Republic, Hungary, or Poland, and states that are not quite so advanced, is perhaps a

suitable platform for exchanging experiences on coming to terms with the complicated process that is taking place in so many European countries. Therefore, I proposed at the last meeting in Trieste that the SEI does not act like a closed group that establishes complex admission procedures, association statutes, and so on, but opens itself up to the other countries of Central and Eastern Europe.

[Horak] Cooperation with Slovakia is significant, especially in the economic sphere, which the public is also most aware of. The foreign policy contacts between our two states will always have a special stamp. Do you see any problems in this sphere?

[Zieleniec] I think that the period since 1 January 1993 has been a major success. Our foreign partners often ask me what our relations with Slovakia are like and I describe to them what we achieved in the complex conditions for dividing the state and how we managed to organize our lives, mutual contacts, trade, and so on. Our partners then say that this is a major success. They realize that we, who see these relations in the newspaper headlines—for example, that we have still not managed to deal with movement on the borders, or this or that item in trade, the certificates, and so on—have a tendency to view our relations through these problems. However, when we realize that these are the only problems—which, at the same time, are constantly being resolved—and that, from this technical point of view, our mutual relations are being enhanced, then this is a major success. I am convinced that our Slovak partners also look at it like this. We have done a great deal of work together.

[Horak] Germany is, without doubt, one of our most important foreign policy partners. Do you think that, in this so-called super-election year, it is worth negotiating with Germany on certain more weighty issues without reference to whether it would be better to wait until the post-election period?

[Zieleniec] The political process with regard to Germany is proceeding and it is good that it is proceeding. The relations between our states are definitely not influenced so fundamentally by domestic political opportunism for it to matter which government in Germany we negotiate with. I assume that the same thing applies in our country, that the majority of the parliamentary parties in the Czech Republic would conduct a similar policy toward Germany. It is a question, in our country and in Germany, of national interests and these have a slightly broader base than party ideology.

[Horak] The former Soviet Union was the most important trading partner of the former Czechoslovakia and it is possible to say that the intensity of relations between Russia and the Czech Republic has declined somewhat along with the rapid reduction in mutual trade. Is any change to be expected soon in this regard?

[Zieleniec] When I think of the contacts in recent months alone—several ministerial visits, for example, Minister Dlouhy's, then there was my visit, Prime Minister Klaus' visit, President Yeltsin was here, and Minister Kozirev—then it seems to me that this is an intensive level of contacts. I would

find it difficult to accept that the intensity of mutual contacts has declined. Perhaps it has, if you relate it to the period before 1989, but I do not know if these were international contacts in the true sense of the word; it was more that visits were made to Moscow for instructions. Now these are relations between equal states, they are intensive relations as corresponds to Russia's position as a superpower, as a huge market, and as a country with which we conduct extensive trade and from which we receive a great deal of our energy raw materials. It is flattering for us that we are able to maintain balanced relations with Russia, despite the fact that there was a fundamental shift in our alliance orientation in 1989. We now consider ourselves to be a country that is not only striving for membership in the EU, but a country that belongs to the Western system from an alliance point of view.

[Horak] How much weight does current Czech foreign policy attach to cooperation or contacts with Czechoslovakia's former fraternal countries, for example, the DPRK, Cuba, China, or Vietnam where, to this day, authoritarian regimes are still in power?

[Zieleniec] We have to differentiate a little here. If you are referring to China and Vietnam, these are countries that have embarked upon development toward a market economy, countries that are becoming democratized gradually. This is logical; a market economy cannot operate for long without democracy. There is an obvious trend in these countries. Something slightly different applies to countries such as North Korea or Cuba where the level of human rights violations is unacceptable to us. They are excluding themselves from the international community. This, however, does not mean that we are overlooking these issues elsewhere. I gave my partners in Vietnam a list of the people we know are being persecuted for political reasons. I have also discussed these issues in China. However, it is very important to find the correct balance for the individual concerns. Our partners must see that we talk about these issues with compassion, that it is not just empty instruction.

On the other hand, as I said, I look upon these countries with optimism and, following my visits to them, my optimism has increased.

[Horak] Taiwan has opened a Taipei office in our country. As we do not have diplomatic relations with each other, is some thought being given to a change in this respect?

[Zieleniec] We recognize the People's Republic of China, but, on the other hand, we maintain trading relations with Taiwan. For these reasons, we do not have a diplomatic mission in Taiwan. As far as I know, however, our Chamber of Commerce has opened a representative office there and is representing the Czech Republic in a certain non-governmental, unofficial fashion.

Klaus on Russia's Position in 'Partnership'

LD2405205794 Prague Radiozurnal Radio Network in Czech 1615 GMT 24 May 94

[Regular weekly interview with Czech Prime Minister Vaclav Klaus by Lucie Weissova; place and date not given—live or recorded]

[Excerpts] [passage omitted] [Weissova] The NATO Council last week agreed to offer Russia special status in the Partnership for Peace program. You reacted to it in the daily *TELEGRAF* by saying that it does not bother you at all because Russia is still the second largest power with nuclear weapons and that therefore it must be treated accordingly. Do you not think that this position of Russia's poses a threat to small states of central and Eastern Europe?

[Klaus] Russia is the position that it is. It is as big as it is. It really possesses nuclear weapons. By its mere existence it both poses and does not pose a threat to countries around it and I think the way in which NATO, not us, has decided to treat Russia is simply something that apparently corresponds to the situation as it exists. The most essential thing for us is that someone else has decided the matter rather than us, and I believe strong words from us do not and indeed cannot lead anywhere. We all have stressed that Partnership for Peace is an individual program and that each country should contribute to that program what it feels it can contribute—how much and how closely it wants to link itself to NATO. We also see that individual countries are doing exactly this. [passage omitted] Each country takes a different view and I think that strongly worded statements from us aimed against Russia do not, in my view, truly lead anywhere. [passage omitted]

Progress Noted in Russian Debt Payment Talks

AU2405164794 Prague HOSPODARSKE NOVINY in Czech 20 May 94 pp 1, 2

[Unattributed report: "The Czech-Russian Talks Are Faltering on the Concept for the Structure of Imports"]

[Text] Although the outcome of the visit by the Russian delegation that was holding talks in Prague this week on Czech outstanding claims in Russia did not live up to expectations, they are still not a reason for skepticism. This is roughly the opinion of Jan Hronik, who took part in the talks on behalf of the Trade and Industry Ministry. During his visit to Moscow in April and within the framework of his talks on restructuring the Russian debts, Vaclav Klaus also agreed with the Russian prime minister that the list of goods that Russia, during the course of this and next year, would deliver to Czech enterprises as part payment of its debts will be signed in May. In Prague, however, the Russian delegation—according to Hronik—submitted a list of goods that does not correspond to the requirements and needs of the Czech side, even if the goods were to be earmarked for reexport. Apparently, the bulk of the Russian list was made up of engineering products, which are manufactured in the Czech Republic, while the Czech side would be interested, first and foremost, in certain Russian raw materials. Nevertheless, the two sides are willing to work further on the list and to harmonize their concepts, although it is clear that the Czech Republic will, obviously, be more active. There already exists a draft mechanism whereby the receipts from the eventual import of Russian goods would be divided between the enterprises that have outstanding claims in Russia. Their overall amount hovers around \$300 million.

A little progress was also made on the possibility of capitalizing these outstanding claims. In Prague, the Russian side submitted proposals for facilities in which the state is still involved and that the Russian state would perhaps be willing to offer the Czech enterprises in return for their outstanding claims.

This involves, for example, electrical engineering and petrochemical products and some unfinished facilities. The Czech firms interested in capitalizing their outstanding claims in Russia can already "hold consultations" with the Russian State Committee for the Administration of State Property—which is the local version of the Czech National Property Fund—on their concepts. Nevertheless, a law is only now being drafted in Russia that would make foreign investment possible by a form of capitalizing outstanding claims.

Russia does not have the slightest wish to include oil and gas in the list of goods suggested as a part payment of its debts. Nevertheless, following the Prague talks, it seems that an inter-governmental protocol could be signed in the foreseeable future that would guarantee the Czech Republic a long-term Russian supply of both oil and gas. Whereas, in view of the envisaged diversification of sources, the precise volume of oil would be specified every year (this would involve roughly 7.0 million tonnes per annum), in the case of gas, the protocol would define directly the amount for each year (8.0 billion cubic meters in 1996 up to 10.5 billion in the year 2000). Naturally, the payment for the oil is expected in convertible currencies at world prices and at world conditions, while part of the gas could perhaps be paid for by Czech construction and supplies for the Russian gas industry and by transit services.

Austrian's Remarks on Sudeten Germans Reported

AU2405114394 Vienna *DIE PRESSE* in German
24 May 94 p 4

[*DIE PRESSE* report: "Charles IV Prize: Prague Warns and Placates"]

[Text] Nuremberg/Krumlov—On the occasion of the awarding of the "European Charles IV Prize" of the Sudeten German Landsmannschaft in Nuremberg at Whitsun weekend, Foreign Minister Alois Mock said that the expulsion of the Sudeten Germans after World War II was "one of the major unlawful acts" of the 20th century. However, Mock also recalled that the crimes of the National Socialists had preceded the forcible resettlement.

In Krumlov, Prague's Foreign Minister Josef Zieleniec told Austrian journalists that Mock's comments in connection with the awarding of the Charles IV Prize "might burden bilateral relations." "However, the whole affair should not be overestimated either."

Reaction to Remarks

AU2405164594 Prague *LIDOVE NOVINY* in Czech
20 May 94 p 1

[CTK and "(r)"-signed report: "Astonishment at the Statements of Minister Mock"]

[Excerpt] Prague/Vienna—Ladislav Spacek, the president's press spokesman, said the following in reply to a question from *LIDOVE NOVINY* on Austrian Foreign Minister Alois Mock's interpretation of a statement by V. Havel on the expulsion of the Sudeten Germans: "If V. Havel condemns the principle of collective guilt and the collective responsibility of nations, this does not mean that he is placing a historically equals sign between the ethnic cleansing in present-day Bosnia-Herzegovina and the post-war expulsion of the Sudeten Germans, with which the victorious powers expressed their agreement and which was in response to the horrors of World War II. It is astonishing that the Austrian foreign minister is again returning to issues that had been resolved in December 1974 in the Czechoslovak-Austrian treaty on settling financial and property-related legal issues. All the claims for compensation from Austrian physical and legal persons and also from the Austrian state for Czechoslovak indemnification and confiscation measures from World War II were settled by this treaty." [passage omitted]

Structural Changes in Agriculture Reported

LD2005155794 Prague *Radiozurnal Radio Network* in Czech
1200 GMT 20 May 94

[Excerpts] According to Minister Lux, the report on the state of Czech agriculture last year, which was published today, states that the structural changes in that sphere are being carried out much faster than those in industry. Ales Hermanek reports:

[Hermanek] According to the report, the nonstate sector has a 77 percent share in overall agricultural production, which is almost double that in industry. In the Czech Republic, new private entities own approximately 85 percent of land, out of which 18 percent is owned by natural persons.

In this connection, Minister Lux said that in view of the fact that the majority of owners have assumed their rights, their number is much higher than the number of business units. Another result of this is that rented land constitutes 60 percent of overall arable land. The average farm size—probably still a result of forcible collectivization under the communist regime—is 10 times as large as that of comparable entities in the countries of the European Union, representing over 135 hectares of land. [passage omitted]

In 1993, the overall loss in agriculture was 9.7 billion crowns, while the share of state farms in this figure is over 3 billion crowns.

Minister Lux noted as positive the approximately 16 percent rise in food prices last year, inasmuch as consumer prices grew by over 20 percent in the same period.

Delegation Assured of No Threat From Russia*LD2405215894 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1630 GMT 24 May 94*

[Excerpts] The delegation of the National Council of the Slovak Republic ended its official visit to Moscow, during which it extended an invitation to Ivan Rybkin, chairman of the lower chamber of the Russian State Duma, to visit Slovakia. Before leaving the Russian capital Jan Smihula, our resident correspondent, interviewed Ivan Luluha, chairman of the Duma's foreign committee. [passage omitted]

[Begin recording] [Smihula] There is a great deal of talk about Russia's role in the European security system and specifically about her special status within the Partnership for Peace program.

[Luluha] This was also the subject of our discussions. There is some confusion among Russian deputies because they have not been informed in a greater detail about the substance of the latest specific proposals put forward by representatives of the Russian Government. During our talks with the deputy foreign minister at the Foreign Ministry I received assurance that there do not exist any conditions from Russia either to NATO or to the Partnership for Peace program that could provoke fears about the security situation in our geopolitical area. [end recording]

Minister Reports on New Defense Doctrine*LD2405145794 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1000 GMT 24 May 94*

[Excerpts] Prime Minister Jozef Moravcik is chairing the Slovak Government's regular session today—its 12th session, to be precise. The cabinet should discuss about 20 points, including the new version of the defense doctrine. [passage omitted] Michal Tvarozek reports:

[Tvarozek] [passage omitted] I asked Defense Minister Pavol Kanis for an interview. First of all, I put it to him that the defense doctrine was already on the agenda of the previous government—the government dealt with it at the beginning of March this year. Has anything in the doctrine been changed by the Moravcik cabinet?

[Begin recording] [Kanis] This new version of the doctrine is quite different in that the draft passed by the government today, albeit passed with the proviso that certain appended comments should be taken into account, spells out clearly the foreign policy affiliation of the Slovak Republic. The emphasis is on closer relations with and on the future membership of western European and transatlantic defense structures.

The new version includes a foreign policy section and many things in it have been clarified and are now expressed clearly. There are none of those general cliches we saw in the variant discussed by the previous government.

[Tvarozek] At the moment, an all-European defense system is being set up. Does it mean that our defense doctrine has a time limit?

[Kanis] This is an important point: just for how long should the defense doctrine be valid? We are going through a stage when we are coming closer to Western European and transatlantic defense structures and our defense doctrine will therefore be valid up to the moment that we become a member of these structures. As soon as we become a member of these structures we will adopt their military doctrine as well.

If we take into account the fact that the Slovak Republic has the weakest military potential, the weakest economic and even the weakest human potential, then our thinking must recognize that the first prerequisite of our successful defense is our membership of some collective defense system. In other words, one has to emphasize that it is, above all, our successes in foreign policy and in foreign-defense policy that constitute a guarantee of our security.

[Tvarozek] In connection with this document, the government today also discussed the so-called presentation document [prezentacny dokument]. What is it?

[Kanis] Just as the defense doctrine is a kind of pillar as regards our internal political activity and our own forces, the presentation document is the concrete expression of the Partnership for Peace framework document—and therefore the second pillar on which our security is based. This document is extremely important because it gives concrete expression to the framework document and in fact also expresses our self-projection and self-reflection regarding our security up to the end of the millennium. The defense doctrine and the presentation document therefore constitute the basic documents of our security and defense policy. On their basis a specific security policy for this millennium will be implemented. [end recording]

Moravcik Chairs Coalition Council Meeting*LD2405212294 Bratislava STV 1 Television Network in
Slovak 2000 GMT 24 May 94*

[Excerpt] The Coalition Council met in Bratislava today under the chairmanship of Jozef Moravcik, the Slovak prime minister and chairman of the Democratic Union of Slovakia. It discussed the course to be taken by the Slovak Republic in the drafting of documents on the security initiative named as the pact of stability and other topical issues. Regarding Slovakia's participation in meetings of the stability pact, the Coalition Council agreed that Slovakia would be represented by a governmental delegation. This also applies to the opening meeting of the stability pact planned to take place next Thursday and Friday. The Coalition Council regard the solution of the problem of minorities as an internal matter of the state, although representatives of the Hungarian political parties voiced their demand to be allowed to participate in the meetings of the stability

pact. However, it will be up to the government to decide who should form Slovakia's Government delegation. [passage omitted]

SNS Leaders Comment on Council Decisions

AU2405155894 Bratislava NARODNA OBRODA in Slovak 18 May 94 p 3

[Interview with Slovak National Party Chairman Jan Slota and Honorary Chairman Jozef Prokes by Bohumil Olach; place and date not given: "Is the Slovak National Party Going Back?; Possible Background of a Surprising Recommendation"]

[Text] The Slovak National Party [SNS] Central Council made two important decisions on 14 May, albeit only in the form of recommendations for the delegates to the forthcoming party assembly. The first recommendation concerns an amendment to the SNS statutes, which should make it absolutely clear that the SNS is a national party. This would actually represent a return to the SNS statutes in the form in which they existed before Ludovit Cernak's chairmanship. The proposal that only a Slovak be allowed to be party member aroused particular interest.

SNS Chairman Jan Slota expressed this in the following terms:

"....we have clearly laid down that only a member of the Slovak nation can be member of the SNS."

[Olach] No one of a different nationality can join the party?

[Slota] Probably not, assuming that the assembly approves the statutes in this form. The SNS is a national party and it is its national character that we must guard first and foremost. We are one of the purest national states, with 85 percent of the people living in Slovakia being Slovaks.

[Olach] Will this not be damaging to the party's reputation?

[Slota] This will be used as an argument by people who wage a struggle against everything national. When France passed a law enforcing French in a tough way, no one from the Council of Europe protested.

[Olach] How do you intend to check the Slovak nationality of your members?

[Slota] You are now taking me at my word. When someone says that he is a Slovak, we will believe him. We do not have the staff to investigate those things.

[Olach] SNS Honorary Chairman Jozef Prokes, who lost to Jan Slota the contest for SNS chairmanship after the post had been vacated by Ludovit Cernak, is more tolerant regarding the requirement for party members to be of Slovak nationality.

[Prokes] In no case will there be any nationalist tendencies. We want to uplift the Slovak nation, which does not mean that we are going to suppress anyone.

[Olach] However, the fact that only a member of the Slovak nation can join the party limits the rights of other nationalities.

[Prokes] This depends on the definition of terms. The proposal for changes to the party statutes refers to members of the Slovak nation and to Slovaks respectively. When a citizen of the Slovak Republic fills in a form in a Western country, it is common for him to write "Slovak" in the "nationality" [last word in English] column.

[Olach] Hence, the SNS is not closing its doors to minorities, in your opinion?

[Prokes] In my opinion, it is not.

[Olach] It thus seems that the demand [that SNS membership be restricted to Slovaks] is aimed more at satisfying the membership base than as a declarative demand aimed at the general public and that no one will be expelled from the SNS because of his non-Slovak nationality. And, indeed, why should he, given the fact that—according to pre-election polls—the SNS must fear for its place in parliament (in the last poll it received 4 percent). All the more surprising was the second recommendation of the SNS Central Council to the forthcoming assembly, namely that the SNS enter the elections independently. It was expected that the SNS would form a coalition with the Movement for a Democratic Slovakia [HZDS], which would automatically guarantee its place in parliament. According to Jan Slota, this decision was not rash but the result of many rounds of talks and many analyses. It should supposedly benefit both the SNS and the HZDS.

There is talk about Vladimir Meciar's objections to you on the ground of your excessive nationalist radicalism.

[Slota] I raised also this issue in my talks with Vladimir Meciar. He always replied that he did not have any reservations. I realize, however, that a coalition with our party is unacceptable to some HZDS supporters. We have figured out that both the HZDS and we will gain more if we enter the elections on our own.

[Olach] Are you not afraid of failing to cross the 5-percent threshold needed to get into the parliament?

[Slota] Not in the least. The Slovak spirit is not dead. Developments in southern Slovakia will help us.

[Olach] Mr. Slota is alluding here to the prepared bills on [birth and marriage] registers and bilingual signs, which, according to the SNS, are the product of a secret pact with the ethnic Hungarian political parties. Slovaks living in ethnically mixed territories along with citizens of Hungarian nationality are to be the main "target" of the SNS campaign.

[Slota] Those 800,000 Slovaks are totally endangered. The state-forming nation must fear on its own territory for its bare existence. The Magyarization continues uninhibited.

[Olach] Jan Slota also mentions the argument, heard before, about "Hungarian money from Budapest," for which 60 to 70 percent of the property [in ethnically mixed areas] in the first wave of privatization was privatized. This can supposedly be proven in the pertinent companies. The SNS expects much from its educational policy. According to Jan Slota, the party's idea of tackling the problem of education in southern Slovakia is: "I swear by God, if we gain a fair percentage of the vote, we will resolve this problem in a fundamental way."

[Olach] But a solution at the expense of already existing schools with Hungarian as the language of instruction would surely be of no benefit!

[Slota] Believe me, we are going to resolve this as a priority and at any price. In every little village in which there is only one little Slovak pupil, this Slovak pupil must be taught in Slovak.

[Olach] Well, the SNS is obviously playing the "Hungarian card." But so does the HZDS, which will not be to the benefit of peaceful inter-ethnic relations. It is scarcely imaginable that the two parties will not compete [for the same type of voter]. It seems, however, that something like a little faction of Jozef Prokes is taking shape within the SNS, which supports a coalition with the HZDS. During the vote on the proposal to enter the elections independently, this faction abstained. How does Jozef Prokes, as a member of Vladimir Meciar's shadow cabinet, see the situation?

[Prokes] In my opinion, the sum total of votes would be greater if we formed a coalition with the HZDS.

[Olach] Everything will be decided at the SNS assembly in Komarno on 4 June. It seems, however, that SNS deputies have already become used to cooperating with the HZDS and some of them, such as Jozef Prokes and Marian Andel, also to posts in the cabinet, even if today it is only a shadow one. They perceive the chance of winning seats in the government as more realistic when the SNS enters the election in tandem with the HZDS.

Party Protests Planned Changes to Election Law

AU2405125194 Bratislava SLOVENSKA REPUBLIKA
in Slovak 18 May 94 p 3

[TA SR report: "Slovak National Party Standpoint: Threat of Manipulation"]

[Text] The Slovak National Party leadership sharply protests the planned amendment to the election law, which does not provide for the delivery of the ballot papers directly to voters' homes. The change to the election law, on the basis of which every voter would

receive the ballot papers only at the polling station, would enable real manipulation of the elections and could result in the distortion of election results. Besides, the situation during the elections would be confusing because if any citizen did not arrive at the polling station for one reason or another, his ballot could be misused.

Poll Suggests High Voter Turnout in Election

AU2405160194 Bratislava SME in Slovak 19 May 94 p 3

["r"-signed report: "In May, 52 Percent of Citizens Would Definitely Participate in Elections"]

[Text] Bratislava—Questions ascertaining citizens' interest in participating in elections to the National Council of the Slovak Republic, as well as their electoral preferences, were part of a survey conducted by the Slovak Statistical Office from 2 to 10 May 1994.

The survey's results confirm citizens' unceasingly high degree of interest in participating in the elections. Three out of four respondents said that they would definitely or probably go to the polls. The percentage of voters who are not sure about their own participation in the elections has stabilized over the last three months at a level of 6 to 7 percent.

Interest of Slovak Republic Citizens in Participating in Early Parliamentary Elections, If They Were Held Today (in percent)

Will definitely take part	52
Will probably take part	26
Will probably not take part	9
Will definitely not take part	6
Does not yet know	6

Hungarian Coalition To Endorse Bilingual Signs

[Interview with Pal Csaky, chairman of the Hungarian Christian Democratic Movement Club of Deputies, by Jana Pankovcinova; place and date not given: "The Hungarian Coalition Will Support the Law on Bilingual Signs"]

[Text] At the May meeting of the National Council of the Slovak Republic, deputies are expected to discuss the government-sponsored amendment to the law on the official language, under which, in communities in which the Hungarian minority represents at least 20 percent of the population, it will be possible to use the name of the community in the language of the minority in accordance with a list of community names that has been drawn up. This amendment is being referred to as the law on bilingual signs. We have asked Pal Csaky, chairman of the Hungarian Christian Democratic Movement [MKDH] Club of Deputies, whether the Hungarian coalition will support the bill in parliament.

[Csaky] We have proposed several times that the limit be lowered to 10 percent. We did not propose this for the sake of the Hungarian minority, but in the interest of the other ethnic minorities in the Slovak Republic. Should, however, only a limit of 20 percent guarantee the passage of this much-needed law, we will accept this and will give our support to the bill. I hope that the bill will be passed, although there are still some problems. These should be sorted out predominantly at the political level.

[Pankovcinoval] What problems do you have in mind?

[Csaky] The list of admissible names in the language of minorities that is to constitute a separate supplement to the law will contain the Slovak and Hungarian names of communities. Experts are now holding discussions on what name to give every community. I do not consider this approach fortunate. The name that is being used at present should be accepted, in my opinion. After all, the law's objective is to calm passions and to give citizens a feeling of being at home.

[Pankovcinoval] You are talking about calming passions. Are you not afraid of the opposite? When the same bill was discussed in the National Council of the Slovak Republic several months ago, the plenum approved the motion by a Slovak National Party deputy that the limit be raised to 30 percent, which eventually blocked the bill's passage. Is there no danger of the same situation recurring?

[Csaky] The 20 percent limit is the maximum in Europe. In Finland, for example, the limit is 7 percent. Slovakia is in store for a bitter election struggle, in which everything, including this law, will be used and misused. This is also signalled by the counter-proposal put forward by deputy J. Rea (Movement for a Democratic Slovakia). This counter-proposal only repeats the proposals made by the former government of Vladimir Meciar, which are unacceptable to us. I am calling for wisdom and tolerance. If we really think that Slovak society should become more democratic, then no one can object when, at the points of entry and exit of a community, the name of the community is given also in the language of the minority. The Slovak name will remain the official name of the community that will be used on maps, in telephone directories, bus and train schedules, etc., even though former Minister of Transportation and Communications Hofbauer misleads the public by claiming the opposite.

Group Appeals to Government Over 'Magyarization'

*AU2405150994 Bratislava SLOVENSKA REPUBLIKA
in Slovak 19 May 94 pp 1, 2*

["SLOVENSKA REPUBLIKA"-signed report: "In a Letter to Government and the Parliament, Heritage Foundation Members Demand Respect for the Rights of Slovaks"]

[Text] Bratislava—The Slovak Heritage Foundation District Committee in Komarno urgently draws attention to the fact that the statements by politicians of ethnic Hungarian parties and movements in Slovakia about tolerance are insincere. In the course of the preceding years, they have repeatedly demonstrated that their idea of coexistence are permanent concessions by the Slovaks and the implementation of their own escalating demands. This has found its expression in the massive renaming of streets according to "personalities" from the time of the Hungarian empire, in tough Magyarization, and in incessant demands for the renaming of towns and villages.

Cases of job applicants being turned down because they are Slovaks and do not speak Hungarian are multiplying. The Hungarian Christian Democratic Movement has not abandoned its efforts to divide Catholics along ethnic lines by setting up a bishopric in Komarno exclusively for Hungarian believers. The Hungarian language is pushing Slovak out of schools. We therefore appeal to the Government of the Slovak Republic and deputies to the National Council of the Slovak Republic to ensure that politicians of Hungarian parties and movements in Slovakia meet the needs and requirements of the Slovak part of the population.

We demand that all competent representatives of the demands of the Slovak Heritage Foundation Committee [as published], as well as demands formulated in the Memorandum of Slovaks from Southern Slovakia be considered during the discussion of laws dealing with the so-called problem of bilingual signs, the problem of birth and marriage registers, and the problem of the Slovak state language.

In conclusion, the Slovak Heritage Foundation District Committee writes that many Slovaks see their prospects in southern Slovakia endangered, also due to the disregard for the demands of Slovaks by some contemporary highest representatives.

Green Party Splits Over Support for SDL

*LD2305130294 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1000 GMT 23 May 94*

[Excerpts] We have decided to quit the Green Party in Slovakia because we could no longer in silence carry before the public joint responsibility for the direction the party was taking—the party's open support for the Party of the Democratic Left [SDL]. This was stated at a news conference held today by Jaroslav (Cantos), a member of the preparatory committee of the Slovak Green Party, when he talked about the formation of this new political entity in Slovakia. Our reporter Otto Goerner has more details.

[Goerner] The preparatory committee of the Slovak Green Party has issued a statement in regard to this step which says, among other things, that for the reasons given above, as well as due to certain differences of views on the approach to tackling certain environmental

issues, they have decided to form a new party. They also see in this a new alternative for those voters who want to support green philosophy but who at the same time find it unacceptable to give their votes to the SDL. The new party also provides an opportunity for those members who had decided to quit the party following the formation of the coalition with the SDL. The necessary one thousand signatures that are required for the party to be registered at the Interior Ministry had been collected last week and the party has lodged an application at the Interior Ministry. [passage omitted]

In the coming parliamentary elections the new Slovak Green Party wants to appeal primarily to the parties of the national block. The new party will in no case however refuse to cooperate in technical matters with the other Green Party.

Left-Wing Parties Sign Coalition Agreement

LD2305140494 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1000 GMT 23 May 94

[Excerpts] In the Journalists' House in Bratislava this morning the chairmen of the Party of the Democratic Left, the Social Democratic Party of Slovakia, the Slovak Green Party, and the Farmers' Movement signed a coalition agreement on election and postelection cooperation. The leaders of these political entities said that the signing of the coalition agreement is the first decision of this kind taken on the Slovak political scene and that it is the first step toward shaping the Slovak political scene in line with a normal West European model.

Democratic Left [PDL] Party Chairman Peter Weiss answered questions concerning the future of the bloc of left-wing parties put to him by editor Ivan Samel:

[Begin recording] [Samel] Mr. Chairman, are you not afraid that this bloc might encounter a fate similar to that encountered by the Democratic Party when the rightwing parties tried to merge? [Words indistinct]

[Weiss] We are neither merging nor uniting. What we want is cooperation. Our considerations are based on the fact that today's signing of the coalition agreement between these four political parties is an important event on the Slovak political scene which is still lacking its final shape and the evolution of which is still in the making. [passage omitted]

We are optimists. We intend to turn this coalition into an instrument of election victory.

[Samel] Do you contemplate a possibility of a further enlargement of the campaign bloc?

[Weiss] All the four partners proposed that the Association of Workers of Slovakia should join an open coalition. Although the proposal was not accepted, our offer on post-election cooperation is still on the table. It is up to the Association of Workers of Slovakia to decide.

[Samel] On more than one occasion you have expressed a willingness to cooperate with the present coalition partners in the government even after the elections. After concluding the coalition, do you regard that option as being still open or topical?

[Weiss] It is a likely option, but one naturally cannot jump the result of the elections. We would like to emerge from the elections in a situation which would allow us to say who will be our coalition partners. Of course, much will depend on how the present government coalition performs. So far, we have been able to overcome all natural differences of views that exist among the left, the center, and the rightwing coalition partners, by holding rational and civilized discussions. [end recording]

Bohunice Nuclear Power Reconstruction Outlined

AU2405130094 Bratislava HOSPODARSKE NOVINY
in Slovak 19 May 94 p 2

[TA SR report: "Reconstruction of the Bohunice Nuclear Power Station"]

[Text] Bratislava—The three stages of the gradual reconstruction of the V-1 nuclear power station at Jaslovské Bohunice will require costs of 11.3 billion korunas [Sk]. The first stage will involve the revalidation of safety-related installations and systems that are to be used in further operation of the unit. The second stage will focus on enhancing the capacity of the emergency systems and the cooling of the active zone for the primary circuit. The aim of the third stage is to enhance the capacity of the system for confining an accident. The reconstruction costs will be divided into individual years according to the cost-intensiveness of needed investments. A sum of Sk315 million will be appropriated in 1994, Sk3.07 billion in 1995, Sk3.25 billion in 1996, Sk3.15 billion in 1997, and Sk1.515 billion in 1998.

Radiation Monitoring To Be Linked to Austria

LD2305121594 Bratislava Rozhlasova Stanica
Slovensko Network in Slovak 1000 GMT 23 May 94

[Summary] A Slovak-Austrian agreement under which equipment for the exchange of data from the two countries' radiation early warning systems is to be linked in September this year was signed in Bratislava today. At present Austria has 336 radio measuring stations and Slovakia has 26. Under the agreement data will be exchanged free of charge and provided to other authorities in both countries as well.

MSZP Official Briefs Media on Preparations

LD2405212994 Budapest MTV Television Network in Hungarian 1730 GMT 24 May 94

[Text] The Hungarian Socialist Party [MSZP] will name its prime ministerial candidate at its extraordinary congress on 4 June. Imre Szekeres, executive deputy chairman for the party, also told today's press briefing that he did not know of any MSZP leaders having held talks with Miklos Nemeth on the possibility of him returning home. Here are further excerpts from the press briefing.

[Begin recording] [Szekeres] Inasmuch as it becomes a member of government—and this can be expected with great probability—the MSZP will respect landed property. We would like to complete the process of compensation, as soon as possible. We think that the law adopted by the National Assembly on the (?return) of church real estate must be implemented.

Our position concerning privatization is clear: We would like to use it as a means for drawing in capital, for creating employment, and for renewing technology. We are not preparing for small-scale or large clear-outs.

[Unidentified correspondent] The executive deputy chairman said he would like the election campaign to deal with these questions from now on. Coalition talks will be held after the 29 May elections. Then the new government will have to quickly take stock of what is handed over by the outgoing government—that is, the state of the budget, state assets, assumed guarantees, payment obligations, and reserves. The MSZP is preparing at a rapid pace for government work, the deputy chairman said.

[Szekeres] We do not fear a 50-percent share of parliamentary seats, or two-thirds either. We would not fear such a thing in the case of any party, because there is a constitutional setup. There is an institution of the president of Republic, there is a parliamentary opposition. There is a Constitution, there is press publicity, and there is a Constitutional Court. Therefore the power is divided, and that is good, because only in this way can a balance be created in connection with any branch of power. [end recording]

Impact of Trade on Economic Policy Viewed

94CH0256A Budapest NEPSZABADSAG in Hungarian 27 Apr 94 p 17

[Article by Andras Koves, scientific director of the Institute for Business Cycle and Market Research and the Processing of Foreign-Trade Data: "Can the Worsening of the Balance of Payments Be Halted? The Economic-Policy Dilemmas of Export's Decline"]

[Text] The development and state of Hungary's foreign trade are investigated usually on the basis of trade data reported in dollars. The figures for dollar-denominated trade from 1988 through 1992 show exceptionally

dynamic growth. They are very impressive even if we know that ruble-denominated trade has ceased in the meantime. Until 1988-1989, transactions denominated in hard currency accounted for about 60 percent of our foreign trade. Since 1991, however, practically all of Hungary's foreign trade has been denominated in hard currency.

Our dollar-denominated exports nearly doubled between 1988 and 1992. The growth of imports was even faster—it more than doubled during that period. The growth of imports accelerated in 1993, but there was an unprecedented sharp decline in exports. As a result, the balance of payments showed a very significant current account deficit.

On the basis of its rapid growth through 1992, foreign trade seemed a success in comparison with the national economy's other branches. There was debate about whether the success had occurred despite, or actually as a direct result of the Hungarian economy's general depression. The former view was held by those who felt that the growth of exports could be attributed to significant effort, and not just to economic necessity; and that economic policy had to maintain and stimulate the orientation to export. The other group's opinion was based on the belief that the Soviet (or rather CEMA) market's collapse and the contraction of domestic demand automatically compelled producers to storm foreign markets and, therefore, export incentives were unnecessary. Anyhow, it seemed that the shift in foreign trade had been completed, and adjustment to foreign markets was faster than had been expected.

Naturally, last year's events have modified the above assessments. It is obvious that both domestic and foreign factors played a role the sharp decline in exports. But the fact that, among the former socialist countries, the decline in Hungary's exports was uniquely severe indicates that Western Europe's recession cannot be regarded by any means as the decline's decisive cause. There are many possible domestic economic explanations that could be offered. What distinguished Hungary from several other Central European countries, until the autumn of 1993, was an exchange-rate policy that revalued the forint in real terms. Consequently, Hungarian export's cost-competitiveness declined, while import's cost-competitiveness against domestic production increased. In addition, the arsenal of export incentives that Hungarian economic policy employed was very meager.

Because farm and food-industry products traditionally play an important role in Hungary's exports (their significance is much greater than in the exports of our competitors), the agricultural sector's collapse in recent years inevitably caused serious harm to export trends. But we are not talking only about agriculture. From 1992 on, "supply-side shock therapy" had an unfavorable affect on the entire economy. I have in mind primarily the statutory regulations (the Bankruptcy Law, the

Accounting Law, and the Banking Law) that were introduced in quick succession, amidst a severe recession. The statutory regulations rocked the enterprises that were in an already unstable financial situation, coping with marketing problems and by no means able to say that the difficulties created by the transformation were behind them. This reduced the available stocks of commodities and had an unfavorable effect on the ability to export.

A protracted and deep recession—in conflict with earlier views—does not help exports in any way. To the contrary, after a time it makes a decline in export value inevitable. Essentially the point is that between 1990 and 1992, even during the dynamic growth of dollar-denominated exports at current prices, the total export volume dropped by about 7 or 8 percent. The export volume's shrinkage accelerated in 1993: its decline was 13 percent. On the import side, a decline similar to that of export in 1990-1992 was followed in 1993 by dynamic growth (of 21 percent, according to official statistics). From the preceding it is evident that, until 1992, the decline in exports was less than in GDP or in industrial and farm output. Amidst the economy's general contraction, that was a considerable achievement. On the other hand, the data also show that the switching of markets actually occurred, but at a much lower level of export activity than in 1990. Thus, even before 1993, the export problems had been much greater than they seemed. In the light of the processes that took place during the preceding years, therefore, last year's export trends are even less surprising. Finally, the negative and positive signs, respectively, of the development of exports and imports in 1993 make it more unambiguous how serious the tensions are that developed in Hungary's foreign trade last year.

The conclusions that can be drawn from all this are as follows:

1. At the beginning of the 1990's, the problems of our foreign trade (and balance of payments) eased only temporarily, and today they are hampering the search for a way out just as much as they did four years ago. The only difference is merely that the economy (GDP) has declined by more than 20 percent since then.
2. Today and in the future, our external economic policy has to (or should) focus on an opening to the world market. In the short term, however, external economic policy is a function of business-cycle policy; and the question is how the strategy of an opening to the world market can be reconciled, if at all possible, with a business-cycle policy that is inevitably restrictive.
3. It is certain that a current deficit such as the one in the 1993 balance of payments cannot be maintained over a longer period of time. The only thing debatable about the deficit is whether it can be reduced this year or be allowed to ride through 1994, in which case a decision regarding possible austerity measures would have to be made next year, in the light of the external economic

situation and the domestic developments by that time. Sound arguments can be presented in support of either variant. Technically—primarily as a result of our relatively substantial foreign currency reserves and the continuing influx of foreign direct investment—also a wait-and-see policy could be pursued. But if the deficit on current account in the balance of payments continues to rise until the elections or thereafter, we will have to reckon with the possibility of a worsening of the conditions for obtaining external financing, to an extent such that a more drastic curtailment of domestic expenditure will then become necessary. In this sense, then, we have a choice between curtailing domestic expenditures as soon as possible, or curtailing it more drastically later on. There is no doubt as to which option economic common sense would support.

Yet, that is not the real dilemma. I suspect that the restrictive stages have not really been successful either. I am far from convinced that, when Hungarian economic policy resorted to stimulation or restriction, it did so at the right time and in the right way. Yet I do not think that business-cycle policy in the narrower sense is to blame for the economy's serious situation. Behind the external economic tensions there are structural problems that cannot be solved merely with these instruments.

Changes in Construction Sector Reported

94CH0257C Budapest NEPSZABADSAG in Hungarian
27 Apr 94 p 17

[Unattributed article: "Building and Civil-Engineering Contractors. Fewer Large Enterprises, More Small Ones—first paragraph is NEPSZABADSAG introduction]

[Text] The Hungarian construction industry underwent a significant transformation in recent years. Several of the large enterprises that earlier had dominated the construction industry went bankrupt; others have been reorganized and are continuing to function. From 1992 to 1993, the number of organizations employing over 300 persons dropped by nearly one-fourth, while the number of firms employing fewer than 20 workers increased by one-third.

According to the data of the Ministry of Industry and Trade (IKM), in December of last year there were more than 64,500 contractors in the construction industry. That includes incorporated construction organizations as well as sole proprietors. Since the 1980's, the construction market has been shrinking continually. Therefore it is not surprising that nearly 90 percent of the businesses employ fewer than 10 persons each. At the same time, the number of firms employing fewer than 20 workers and organized as business associations is continuing to rise. The total number of employees was 135,600 in 1993, 4.2 percent less than the year before. Once the Bankruptcy Law came into force, many of the large construction-industry enterprises of years past petitioned to be declared bankrupt. But most of these large

enterprises, which usually held substantial assets but were burdened with huge debt, had already transferred their capacities to business associations that had split off from them. Therefore the liquidation of the enterprises' stripped headquarters became inevitable. At the same time, several former state enterprises are continuing to function as corporations, after drastically trimming their personnel and selling off assets. The survival of firms employing more than 300 persons is typical mostly of construction industry's civil-engineering branch. Such organizations account for more than half of the existing capacity within the branch. The IKM reports that there were 113 such firms in Hungary in 1992, and 91 in 1993. In the building industry, the proportions of the organizations within the individual size-categories are about equal. In the specialized building trades and in building maintenance, however, small firms are the dominant.

The participation of foreign capital increased further in recent years. At the end of 1992, there were about 700 joint ventures among the incorporated organizations. Their combined total registered capital was 24 billion forints, of which 16.3 billion forints was held by foreigners. At the same time, nearly 230 joint ventures were formed last year. Their capital stock was 3.3 billion forints, of which 1.8 billion belonged to foreigners. On average, foreigners hold 55 percent of the equity in the newly formed joint ventures, while the proportion of foreign direct investment is close to 20 percent.

In 1993, the firms within the construction industry produced 241.5 billion forints' worth of construction and installation work. At current prices, this output was 13 percent more than the year before. In the first quarter [of 1993]—because of pro forma invoices due to changes in VAT refunds, and as a result of the Accounting Law's coming into effect—output was 9 percent lower than in the same period of the preceding year. This lag was reduced to 1 percent by the end of the second quarter. Thereafter there was a 20-percent rise in output by the end of September, followed by a 4-percent decline. The price level of construction work rose by 13.2 percent in 1993, which was somewhat less than the rise in 1992. The price level's rise was slightly below average in the building industry, and in civil-engineering industry it was 1 percentage point above the average.

Companies Bid For Oil, Gas Concessions

94CH0257B Budapest NEPSZABADSAG in Hungarian
27 Apr 94 p 1

[Unattributed article: "Five Companies Would Prospect for Oil in Hungary. Three Are Eyeing the Trans-Danubian Region"—first paragraph is NEPSZABADSAG introduction]

[Text] The five companies that submitted tenders for concessions to produce oil and natural gas would be spending more than five billion forints on prospecting and exploration. The invitation to tender closed Monday, and its results will be announced in June.

As Antal Fust, the deputy chairman of the Hungarian Bureau of Mines, told our reporter, initially 22 international companies had bought the package of data on oil and natural gas deposits in Hungary, and five of them submitted tenders for concessions. Three of them would like to prospect and explore in the Trans-Danubian Region; and the other two, in the Danube-Tisza inter-fluve. Of course, they would also want to produce oil or natural gas if their prospecting and exploration proves successful.

First, experts will examine and comment on the submitted tenders, from the viewpoint of technological, economic and other considerations. Then a jury, consisting of representatives of the central agencies concerned, will review the tenders and submit its recommendations to the minister of industry and trade, on which companies should be awarded concessions. On first reading it appears that all the tenders satisfy the requirements, Antal Fust said.

If all five companies get concessions, that will mean a foreign investment of about 5.0 billion forints in oil and gas prospecting and exploration in Hungary.

According to the plans, the foreign companies will use Hungarian enterprises as their subcontractors.

Improved Agricultural Situation Reported

94CH0257A Budapest NEPSZABADSAG in Hungarian
27 Apr 94 p 5

[Unattributed article: "Not Much Land Has Been Left Fallow. The State of the Crops Is Good"—first paragraph is NEPSZABADSAG introduction]

[Text] Thanks to the favorable spring weather, the state of the winter grains is extremely good. That was the most important conclusion from the aerial inspection to which Laszlo Medgyasszay, political state secretary at the Ministry of Agriculture, invited the press.

When viewed from the air, it is striking that cultivation of large plots is still predominantly typical of crop production. Although there are small plots here and there, some of the new smallholders are leasing their land to large-scale farms. And one encounters also spontaneous associations. There is substantially less land left fallow: 250,000 hectares, 5 percent of the sowing area.

The experts accompanying the reporters pointed out that the absence of artificial fertilizers in recent years is evident on the fields. At the press conference following the aerial inspection, the additional information was supplied that, in spite of everything, the situation has improved this year in comparison with recent years: the amount of artificial fertilizer applied this year was double the amount used last year, but several more years would be needed for agriculture to attain the level needed for high quality crop production.

At the news conference after the inspection, the political state secretary also said that the submitted applications for loans from the Agricultural Development Fund would be judged between 1 and 15 May. It seems that the fund's present allocation would not be enough to satisfy the entire demand for loans. Therefore the applications are being arranged in the sequence they were received. The applications for which the money in the fund has run out will not be rejected for good. Instead, they will be set aside until the fund will have been replenished. For the time being, the state secretary has been unable to make a definite promise as to when that would happen.

Future of 1996 Budapest World Fair Questioned

*94CH0255A Budapest MAGYAR HIRLAP in
Hungarian 26 Apr 94 p 11*

[Article by Gizella Ivan: "Only the Parliament Has the Right To Put a Stop to It; It Would Mean Loss of Prestige"]

[Text] Challenging the expo is a very harmful move, Chief Commissioner Etelka Pataky Barsi said yesterday at a very exclusive discussion. "And the reason is," she continued, "that the world considers Hungary to be a democratic country. In other words, once the country undertook international obligations, one assumes that it will fulfill them."

"It never even occurred to me to consider the legal consequences of a possible cancellation of the world fair," the chief commissioner emphasized. (There are no legal consequences of canceling the event, but the loss of prestige can be considerable. And should an invited

country have already invested a certain amount in Hungary, and should the event be canceled, the foreign country can sue for damages.—Editor)

"The new government will most probably survey the issues and projects in progress," Mrs. Barsi said, "but only the parliament has the right to put a stop to them." According to the chief commissioner, canceling the expo would be an illogical step for several reasons, because the entire event is being organized in such a way that almost every site can be utilized afterwards.

It seems that the antagonism between Budapest leaders and the programming office was revived in the last few days. According to Budapest, the city needs 50 billion forints [Ft] to implement the expo, but the chief commissioner says that the remaining time is only sufficient to carry out work in Budapest in the amount of no more than Ft24 billion, and that money is there.

"Some people also claim," the chief commissioner said, "that the Universitas bonds are not successful, but actually they were oversold."

To the question of MAGYAR HIRLAP—because Mrs. Barsi ran for the parliament—how she imagines her work in the programming office in the future, she replied that she did not run as an individual representative. If all goes well, she wants to continue to deal with the expo in the parliament, as well. True enough, she will not always be able to participate in committee meetings, but the Hungarian Democratic Forum thinks that it is a good idea for someone to represent the expo in the parliament. "I also kept my seat in Budapest, and I was not present at every meeting, but if my work is scrutinized, it will be found that I am among the top 10 people who did something for the city," Mrs. Barsi said.

Olechowski Sends Letter of Support to Ukraine

LD2405181294 Warsaw Radio Warszawa Network in Polish 1700 GMT 24 May 94

[Text] Poland's Foreign Minister Andrzej Olechowski sent a letter today to Ukrainian Foreign Minister Anatoliy Zlenko, Foreign Ministry spokesman Wladyslaw Klaczynski told us.

[Begin Klaczynski recording] Minister Olechowski stressed Poland's concern caused by the present situation in Crimea and a possibility that an internal Ukrainian problem could become an international conflict. Poland is in favor of a peaceful resolution of the dispute within the framework of the democratic legal order, and it reiterates its support for Ukraine's independence and territorial integrity.

Poland counts, as Minister Olechowski writes in his letter, upon a similar position by all the CSCE states, but it is attaching particular importance to the position of the United States and Russia, which have pledged to guarantee the sovereignty and territorial integrity of Ukraine. Poland is also convinced as to the good will of Ukraine's Government and its readiness to find a peaceful and democratic solution to this dangerous dispute. [end recording]

Walesa, Oleksy Discuss Defense, Security

LD2405173894 Warsaw PAP in Polish 1626 GMT 24 May 94

[Text] Warsaw, 24 May—Polish Republic President Lech Walesa had lunch at his residence with Sejm Speaker Jozef Oleksy, the president's press office reported today. They discussed the country's defense and security matters, the role of the Armed Forces supreme commander, and the need for a parliamentary debate on the issues with the participation of the president.

These matters should be discussed at the coming meeting of the National Defense Committee. It was also considered important that mechanisms be defined for political consultations on the security of the state.

The speaker also briefed the president on the parliament's agenda in the immediate future, before the summer recess.

Within the framework of the coordination of Polish foreign policy between the highest state authorities, the speaker discussed his planned visit to China, the commune says.

Chief of General Staff's Position Debated

WS2505085594 Warsaw ZYCIE WARSZAWY in Polish 25 May 94 p 4

[Report by Luiza Kowalska: "Walesa Maneuvered KOK To Gain Time?"]

[Text] Where will the president look for support for his vision of subordinating the chief of the General Staff? The biggest political parties refuse to accept the solution being proposed by Walesa, by saying they will not succumb to bribery attempts.

The government has failed to decide whether the chief of the General Staff should be subordinate to the president or to the national defense minister.

President Walesa, who is in favor of the former option, has suggested that the government postpone a decision on the issue and give the National Defense Committee [KOK] a chance to speak. "There were no conflicts between us"—Walesa explained to journalists and left the Council of Ministers' Office after 12 minutes.

KOK (which is not defined by the Constitution but only by the law on popular defense obligation) will most probably meet next Wednesday. On the committee are: the president, the prime minister, Sejm and Senate speakers, chiefs of the Defense Ministry [MON], the Foreign Ministry, and the Internal Affairs Ministry, the finance minister, chief of the National Security Bureau, and chief of the President's Office. KOK's decisions are not binding on the government.

It is not clear whether supporting the president's idea would require an amendment to the Small Constitution. According to the Constitution, the president is the supreme commander of the Armed Forces. He also appoints and recalls the chief of the General Staff, in agreement with MON's chief. It is only the law that provides specific rules on the General Staff chief's subordination to the national defense minister.

"There are no obstacles against providing in the law that the chief of the General Staff should be subordinate to the president. Such a change does not require a constitutional amendment"—says Lech Falandysz, deputy chief of the President's Office.

Whether it is going to be a change of the law or of the Small Constitution, it is not very likely that the Sejm would support the president's proposal. A majority of parties support the other option, under which the president oversees the Army through the national defense minister.

So it cannot be ruled out that by making a motion for a KOK meeting, the president wanted to delay the government's ultimate decision and, in the meantime, gain support for his proposal. ZYCIE WARSZAWY asked some Sejm deputies what president could use to bribe the Polish Peasant Party [PSL] and the Democratic Left Alliance [SLD]:

"I cannot see anything in return for which we would be willing to support the president's idea. This issue is non-negotiable"—stated SLD's Zbigniew Siemiatkowski. "Perhaps the president will try to tempt us, but with what? I really have no idea."

A Sejm deputy for PSL holds a similar view. "I do not think that there is anything that one could offer in exchange for our support for the president's proposal. At any rate, no such offer has been made to us. Defense policies are not the best area for making deals"—says Janusz Piechocinski.

Commanders Discuss Armed Forces Restructuring
LD2405153394 Warsaw PAP in Polish 1442 GMT 24 May 94

[Text] Warsaw, 24 May—A comprehensive assessment of the course of implementation of the Polish Republic Armed Forces' restructuring has been the main topic of a meeting of the Joint Armed Forces commanders. During the two-day meeting chaired by Chief of General Staff General Tadeusz Wilecki, the participants watched the "Karat 94" tactical and combat exercise at Wicko Morskie range, a communique by the general staff's spokesman says.

The second part of the meeting was held at the Navy Command Headquarters in Gdynia, where members of the General Staff heard reports by military district commanders and navy commanders on restructuring in the subordinated units and military institutions.

The members of the Joint Armed Forces Commanders were briefed on a general outline for the functioning of the logistics system in the spheres of service, maintenance, and army supply. New principles for gathering reserves of military equipment and materials were also discussed, the communique reads.

OPZZ Leader on Union, SLD, Congress

WS2405120094 Warsaw RZECZPOSPOLITA in Polish 24 May 94 p 3

[Interview with Ewa Spychalska, chairperson of the All-Polish Trade Unions Agreement, by Pawel Reszka: date and place not given—"Deceived A Little"]

[Text] [Reszka] Under what conditions are you leaving the All-Polish Trade Unions Agreement [OPZZ] at the end of your term in office?

[Spychalska] The fundamental task that was assigned to me when I was elected chairperson was to maintain and to consolidate the organization; to improve its image and extend support for it. The union did win new supporters. During my tenure, as many as 11 new structures and over 350,000 new members joined the union. Today we have 4,782,000 unionists. However, many unionists have left us, particularly as a consequence of transformations and layoffs.

[Reszka] Did the union become stronger when it was under your leadership?

[Spychalska] Strength is not reflected merely in the number of members. We learned how to negotiate and hold talks. We have increasingly better and stronger arguments.

[Reszka] These successes are not easily seen where the Charter of Social Guarantees is concerned, for instance. You started to talk about it with the Suchocka government and there are still no effects.

[Spychalska] The negotiations on the charter really started in February of this year; however, they have been going on for too long anyway. The stand of the unionists is not adamant enough, and the government is prolonging the talks; it is not making any definite measures or clear declarations. I am getting the impression that the government is afraid of solutions, that it is afraid to make decisions of a political nature.

[Reszka] Did you expect so many problems with the government, which includes so many of your political colleagues?

[Spychalska] I knew that things would not be easy—I was aware of the situation. I thought, however, that they would have more courage and determination.

[Reszka] Before the elections, the Democratic Left Alliance [SLD] was rather certain of its economic program. Do you feel that it is not hurrying to implement it?

[Spychalska] Yes, I do. Especially as far as the equal starting point for both sectors of the economy is concerned; this is found not only in the program of SLD, but also in the program of the entire governing coalition. This was a primary issue.

[Reszka] I understand that it has not been put into effect. However, before the government was formed, you formidably announced that you would not give up even one item in the SLD election program.

[Spychalska] This is still the case.

[Reszka] This program includes a few dozen pages full of promises...

[Spychalska] ...plans that were supposed to be put into effect. What causes friction is the fact that even though we signed the program, we bear joint responsibility for it, and we are already paying the price for being in the coalition, there is still no four-year schedule for the implementation of the program.

[Reszka] What price are you paying for being in SLD?

[Spychalska] Sometimes our members are dissatisfied that everything is proceeding too slowly and that the government has no clear policy.

[Reszka] Still, your unionists are still favorably disposed toward the government?

[Spychalska] Their views are now much more moderate than they were at the beginning.

[Reszka] You have travelled extensively outside Warsaw prior to the congress. Have the unionists asked you about the various promises, such as stimulating the housing sector, lifting the popiwek [tax on excessive wage increases], full implementation of the "Pact on Enterprise..."

[Spychalska] These were the most important issues at those meetings and they will come back at the congress.

[Reszka] But how did you respond to the unionists?

[Spychalska] (after a moment of silence) Well..., I presented the actual state of affairs to them. That is, the state of affairs that is within the parliament—because this is what I know; what the government is doing—I do not know.

[Reszka] You do not know what the government is doing?

[Spychalska] Well, I do not, I have problems. I only know what the government has sent over to me in order to consult me on those issues. Therefore, I can guess that this is what the ministers may deal with next.

[Reszka] The evaluation of the situation is not very good, then. It is worth recalling that in September last year you said that you would give the government three to six months of peace: "We will be trustful and restrained." Will a war with the government break out after the six months?

[Spychalska] The government had six months to prepare the budget; however, it also should have used this time to prepare the foundations for the implementation of the election program. But this is still missing. This issue may be discussed quite sharply at the congress.

[Reszka] Does this mean that it does not pay for OPZZ to be in SLD?

[Spychalska] It generally does not pay for unionists to be in the Sejm. We were already convinced about that in the previous Sejm; however, the political situation was not stable enough for us to be able to conclude a political contract with the party: implementation of the program in return for support. I believe, however, that the presence of unionists will not be necessary in the next Sejm.

[Reszka] Talking about contracts. As far as privatization is concerned, do you find your views closer to those of Sejm Deputy Pek or Minister Kaczmarek?

[Spychalska] Well... middle of the road, more or less. We do not definitely oppose privatization; however, neither are we supporters of everything being for sale, of such a "total privatization." No extremes.

[Reszka] You have talked about future political contracts. However, you already concluded a certain contract when you entered the structures of SLD. Do you feel deceived?

[Spychalska] I feel disappointed. This program kept all of us together. The fact that it is not being implemented has put the coalition under question.

[Reszka] What is OPZZ going to do, then?

[Spychalska] The congress will set the specific dates. The most fundamental issue is a social agreement which must include a clear schedule of the implementation of the program. There is a chance to sign the Charter of Social Guarantees very soon. I think that at that time, the government will get not more than two or three months for the preparation of a clear schedule. If that is not done, it will mean that our presence in the coalition just does not make sense.

[Reszka] Perhaps the SLD program was too simple? You spoke about stimulating the economy very soon, about tariffs, tax police... It turns out that it all cannot be achieved fast.

[Spychalska] Indeed, it cannot be achieved fast. There are many factors, including the international ones... Sometimes the prescriptions were too simple indeed; however, this is a characteristic of an election campaign. One should draw conclusions from this. Resorting to oversimplifications is very often disastrous. People interpret well the information that they want and they demand that it be put into effect.

[Reszka] Do you admit to mistakes? Do you think there were things you could have done better?

[Spychalska] Yes, I do. A large part of the SLD program was prepared by Marek Borowski. He was the economic guru of this group and we trusted him. I sometimes read this program because I have one copy of it, with the signature of Borowski. When he was still deputy prime minister and we could not reach an agreement, I would show this program to him and say: "These are your own words and we believed you." Today we feel a little deceived.

[Reszka] What would he answer?

[Spychalska] "Well, you know, it was a campaign, it is only a program; I thought, but when I came here the situation was more difficult..."

[Reszka] You are expressing unfavorable opinions about the government, the coalition. Is this the election campaign before the congress already?

[Spychalska] No, it is not. These are facts. I am still a supporter of the idea of negotiations. I would only like the other side to treat this as we do. It is not because the congress is drawing near that I am criticizing the government.

[Reszka] Aleksander Kwasniewski, leader of the Social Democracy of the Polish Republic [SdRP], is publicly supporting you.

[Spychalska] He is not a delegate. His statements are ill-timed, too early, and moreover, out of place, which I have told him.

[Reszka] Why do you think you are a comfortable person for him?

[Spychalska] Go ask him! He will not corroborate the thesis about my "being comfortable." He has enough troubles talking with me.

[Reszka] Perhaps he would have even more troubles with someone else?

[Spychalska] Perhaps..., but not necessarily, because people often take rather adamant stands when they are not parties to a conflict. Then they relent. I am just the way I am and I will not change. I think that one of the features of my character is that I am able to listen. This makes the other side trust and respect me.

[Reszka] Spychalska belongs to the "Gray" (the seat of SdRP—editor's note), I learned from one unionist...

[Spychalska] (laughs) I am surprised. This was probably in the context of that statement by Kwasniewski. I come across many statements of the "Gray" which criticize me for being too independent.

I think, therefore, that as far as my "belonging to the Gray" is concerned, the situation is rather quite the contrary.

[Reszka] Is OPZZ not too dispersed? The heads of the branches reach agreements without the head of the center. Does this not place OPZZ in the position of a group of several dozen persons who do not have much influence on unionists?

[Spychalska] I do not think it is a mistake. The advantage of the movement is the fact that it consists of branches and that the branches are independent. We have chosen this form of activity on purpose: independent branches and the serving role of the center. I would not feel good in a union governed by a structure based on commands. This structure works to our advantage.

[Reszka] You want to sign a social agreement and you cannot order unionists to do anything. Are you a serious partner for the government?

[Spychalska] Yes, we are. We can reach a consensus without issuing orders.

[Reszka] I have heard the opinion that the OPZZ heads who are simultaneously Sejm deputies do not have much time left for unionists.

[Spychalska] This is a fact and the most fundamental accusation. Out of six persons who are in the OPZZ leadership, five are deputies. These proportions should be more balanced. However, there are also extreme views: that the function of heading the union should not be merged with being a Sejm deputy. I am a supporter of balancing these proportions in the leadership: a group for

contacts with the parliament, the government, and a group for contacts with the unionists.

[Reszka] So far, no one has publicly announced that he or she would like to compete with you at the congress. Are you that strong? Are your competitors afraid of you?

[Spychalska] I do not think that there are any elements of fear there. Nor do I think that I am that strong. I could point to seven or eight persons who would be excellent substitutes. I am aware of the fact that various meetings of bigger and smaller groups are being held. This is only normal. However, no one has come to me and said: "Listen, I want to run as well." This would be nice. When I decided to run for the post of the deputy chairperson, I came and said it.

[Reszka] How many opponents in the elections will you have?

[Spychalska] Three, I think.

[Reszka] Do you predict a difficult fight.

[Spychalska] I certainly do.

[Reszka] Are you going to win?

[Spychalska] I do not know. I am not superstitious, but this is just not certain. I think that there will not be a total attack.

[Reszka] How are you going to persuade the delegates that it is you who should be elected?

[Spychalska] The bargaining chip will be the concept of labor organization.

[Reszka] It is so marvelous that you will be elected.

[Spychalska] I do not think that it is so extraordinary, but it certainly is rational from my point of view.

[Reszka] What will you do if you lose?

[Spychalska] I have received many offers for interesting work—that is not a problem. Two of them are very interesting indeed: one concerns work in the banking sector, and the other—in journalism. It will not be a post in the government.

[Reszka] Will you leave OPZZ?

[Spychalska] I certainly will. I am not going to inflict myself there.

[Reszka] If you win, what will change in OPZZ?

[Spychalska] The organization of work. The style of the work of the center and of the units subordinated to it is a little slow. It must be an organism that reacts fast. This calls for statutory changes.

OPZZ Dilemmas, SLD Ties on Eve of Congress

WS2405125194 Warsaw GAZETA WYBORCZA in
Polish 24 May 94 p 3

[Article by Agata Nowakowska: "Alone, or With SLD?,
Before OPZZ Congress"]

[Text] *To be with the government, or just next to it?—A few days before a congress by the All-Poland Trade Unions Agreement [OPZZ], there are two views clashing in the trade union: Wisniewski says: "Let us create our own trade union club in the Sejm," while Manicki says: "Let us continue to stick with the Democratic Left Alliance [SLD]."*

Shortly after the government was formed, OPZZ Chairwoman Ewa Spychalska made threatening statements to the effect that she will not give even an umbrella handle to Pawlak's government. But now OPZZ firmly stands behind the government.

OPZZ remembers well what happened to "Solidarity"—an attempt to elude the responsibility for "Solidarity"-derived governments, ended in bringing Suchocka's cabinet down. "Solidarity" paid an enormous price for that.

But OPZZ's rank and file like the idea of sticking to the Polish Peasant Party and the Social Democracy of the Polish Republic [SdRP] less and less: *The government does not listen to us. We are helpless. OPZZ does not have its own ministers but we sure get a kick in the pants when the government does something wrong*—such opinions were voiced during Spychalska's meeting with the rank and file in May. Spychalska toured the country before the OPZZ congress. She intends to run for chairwoman again.

Time for Own Label

OPZZ Deputy Chairman Stanislaw Wisniewski thinks that it is time for the trade union's own label. He wants to suggest to the congress that a divorce with SdRP take place, followed by the establishment of the trade union's own deputies club in the Sejm. Over 460 delegates will make a decision on that shortly.

Wisniewski was the only one to be in favor of a protest against the government's version of the budget. He was thrown out of SLD for that. Now, he intends to run for OPZZ chairman.

Would a farewell to the coalition be the trade union's success?

Wisniewski thinks it would. The advantage gained would be "going about freely," without the constraints of the club's voting discipline. Attempts to force trade unionists to act this or that way—as in the case of the budget, or popiwek [enterprise tax on above-normative pay]—would never happen again.

Wisniewski's idea for an efficient OPZZ is about making a "yardstick" out of the trade union. He thinks that the

coalition, after it is weakened by the trade unionists' departure, would have to make efforts to gain OPZZ's support in the Sejm.

But even without the trade unionists, the coalition enjoys a majority in the Sejm. There are 60 trade unionists among the 298 "governmental" Sejm deputies. On top of that, a majority of the trade union's members prefer to be under the protective wings of SLD, and they are not very eager to establish a weak little club.

Suicidal Secession

Will Wisniewski succeed at the congress? It is not very likely. It seems that a majority of OPZZ members think along the same lines as Maciej Manicki, another deputy chairman (he has no intention of running for OPZZ chairman) who is opposed to such a secession:

That would be suicide. Even if the congress decided to sever OPZZ's ties with SLD, 30 Sejm deputies would leave, at the most—Manicki says.

In his view, "Solidarity" was able to shift the balance of votes in the Sejm of the previous term because Suchocka's government was a minority one, whereas the coalition now in power does not need OPZZ that badly at all.

Manicki is aware that among the rank and file, not everybody is happy with the OPZZ-SdRP alliance. *But to leave SLD altogether would weaken our efficiency even more—he says. So far, we succeeded in blocking, for instance, the popiwek.*

Bound by Fear

According to Aleksander Kwasniewski, an SLD leader, the idea of OPZZ leaving SLD has no chances whatsoever of materializing. Both groups are strongly tied to one another by the fear of a defeat by the postcommunists.

While Wisniewski speaks about the trade union's excessive concessions, Kwasniewski speaks about OPZZ paying back its debt—it is thanks to SdRP that there are so many trade unionists/Sejm deputies in the Sejm. The SdRP leader has his own reliable men in the trade union and he is hoping that Ewa Spychalska—his positive heroine—will be reelected OPZZ chairwoman.

A Roundtable With "Solidarity"

OPZZ chiefs differ on their positions vis-a-vis the government but they are united on a dream of friendship with "Solidarity": *The government is just a government and there is a whole river separating it from trade unions. We should build a bridge across the river along with "Solidarity"*—Wisniewski says. *Only together, can we maneuver the government out.* Manicki has similar views. He thinks that both trade unions have the same demands and they represent the interests of the same people.

Wisniewski is an enthusiast of a "trade union round table" session during which decisions would be made on what to fight for together, and how. In the meantime, the old divisions between OPZZ and "Solidarity" remain. Joint measures are not undertaken. It is easy to win with "Solidarity" when it goes it alone, and the government wins with OPZZ equally easily: First it makes promises, then it forgets them.

According to Wisniewski, OPZZ has made several attempts at reconciliation with "Solidarity," which ignored the moves. But OPZZ is also to blame, to some extent. Failure to support "Solidarity's" strikes was a mistake.

Recently, Manicki made an offer to "Solidarity" for a joint strategy for defending a demand coming from trade unions concerning a 40-hour work week. There was no reply, either.

A decision on which option will prevail—to go it alone, or to continue to stick to SLD—will be made at the OPZZ congress in a few days.

BBWR Debates Elections, Economy at Congress

WS2505115694 Warsaw NOWA EUROPA in Polish 25 May 94 p 2

[Report by "W.Z." from Krakow: "BBWR Is Getting Closer To a Party Formula; 300 Million Zlotys For Everybody Still on Agenda"]

[Text] A two-day program conference of the Non-Party Bloc in Support of Reforms [BBWR] has ended in Krakow. BBWR's leadership announced a transformation of the group into a political party. The final decision will be made at a congress of the organization which will be held in the fall.

BBWR's First Program Conference was supposed to work out a concept of political and economic changes in the country but in practice, it showed dilemmas that the entire group is facing with the upcoming elections for the post of president of the Republic of Poland. That BBWR's concept is different from that of the President's Office, is best demonstrated by the fact that practically nobody from among high ranking Belvedere officials took part in the substantive debate. When asked about BBWR's candidates in the upcoming presidential elections, Professor Zbigniew Religa replied laconically: *As long as Lech Walesa does not make a decision to run, there is nobody we could support. But if our economic concepts are substantially different from the president's program principles, then we will propose our own candidate. A program for Poland—which was debated during the Krakow session—covers, among others, a draft of a new constitution based on a presidential-parliamentary system of power, speeding up of self-governmental reforms, enfranchisement of citizens in the form of a complete and popular privatization, defining the state's*

position on foreign capital taking into account the interests of national economy, as well as devoting higher amounts of money to the education system and civic education.

Professor Jerzy Eysymontt, chief of the BBWR Parliamentary Club, was asked by NOWA EUROPA about whether economic slogans declared during the election campaign proclaiming 300 million zlotys for each citizen, are still valid. His response was: *We are in favor of a popular enfranchisement, and everything that leads to a complete privatization of the economy will be supported by us, and that is why we still think that the 300 million zlotys which we proposed in the election campaign, is a slogan under which important parts of the national wealth should be transferred over to citizens.*

Members of Political Parties Characterized

WS2505115594 Warsaw ZYCIE WARSZAWY in Polish 25 May 94 p 4

[Article by Robert Krasowski and Piotr Smilowicz: "The Power of Stereotypes; Politicians of All Parties Complain About Their Members' Social Image"]

[Text] We present the second part of a poll which we have conducted among leaders of the main Polish political parties. We asked them about their perception of their parties' rank and files, and how—in their view—that perception is different from popular stereotypes.

When one speaks about an average member of the Social Democracy of the Polish Republic [SdRP], "comrade Szmaciak" appears. He is a former low-level apparatchik who was removed from power for a few years; he is the incompetent and dishonest activist type, driven by career ambitions and by revenge on "Solidarity" activists.

"Comrade Szmaciak is total nonsense"—says an irritated Aleksander Kwasniewski.

In his view, there are Szmaciaks in all the parties and so they are not exclusive to SdRP only. Sometimes they are called "comrade Szmaciak," at other times—"colleague Szmaciak," and even "most reverend Szmaciak." Besides, nobody could have predicted when joining SdRP in 1990 that the party would assume power so soon.

But Kwasniewski refuses to talk about his idea of an average member of his party:

"In a 60,000-member organization, it is hard to talk about an average member"—the SdRP chairman says.

But he adds that it must be someone 35 to 50, from a city in a majority of cases, and educated. Such average members are not easily distinguishable in a crowd. They do not wear white socks since they do not belong to that kind of generation anymore. At the most, they wear slightly worn suits since, often, they are not very well off financially.

Wincenty Stawarz, acting chairman of the Polish Peasant Party, provided the following description of an average peasant activist (after having thought for five minutes and after having asked us not to delete anything from what he says):

"He is very active in social issues, he is closely tied to the interests of the countryside and agriculture. He is patriotic, with a strong and independent Poland being the most important thing to him. He is attached to his family, he regards work as an element of moral education, he values good work and he expects honest pay for such work. He is religious and close to the Church."

Stawarz thinks that the stereotype of a peasant activist wearing white socks amounts to a distasteful making a laughing stock out of rural areas and people living there. But he admits that sometimes, peasant activists can be distinguished in a crowd.

"But some gentlemen with coats of arms behave even worse at times"—he adds. "Sometimes peasant activists are not 'on the same level' as people from cities, but this applies only to those who make their living by farming. Contact with the land and with animals are not very conducive to good manners, but they are still good"—Stawarz adds emphatically.

Jaroslaw Kaczynski is outraged when one suggests to him the following vision of an average member of the Center Accord [PC]: A frustrated and power-hungry activist who uses revolutionary rhetoric.

"That kind of stereotype was created by our enemies"—Kaczynski says. "PC's first program declaration of 1990 was very moderate and one certainly cannot describe it as 'revolutionary rhetoric.'"

But the PC chairman does not deny that the image of his party created by the mass media is responsible for the fact that many people found their way into the party who in some way conform with the notion of a stereotype PC member.

"Members of PC come first of all from the first-generation intelligentsia. There are many people with the status of an intelligentsia member despite not having a higher education. These are people who since 1980 were active in 'Solidarity' and that is what enabled their social advancement."

Kaczynski adds that lack of a communist past is a common trait displayed by members of PC:

"Most of the members are people who 'fought the system at the lowest level' in the period of the Polish People's Republic. We have just a handful of former members of the Polish United Workers Party"—Kaczynski says.

He laments relatively few young people being PC members. "But that is a trait of all Polish political parties"—he concludes.

"Among members of the Christian-National Union [ZChN], a majority are young people, with a majority of regional chiefs being 20-something or 30-something"—says Ryszard Czarnecki, ZChN's spokesman.

In his view, a typical ZChN member is a student or a young member of the intelligentsia, "in most cases, he reads Roman Dmowski's publications," or else he is someone elderly, a Catholic who espouses national values.

"The stereotype of a ZChN member as a fanatic Catholic, is a snout that has been affixed to us"—Czarnecki is outraged. "Of course, a majority of our members are believers. But there is a group of people who regard Catholicism as an important part of the Polish national tradition while not being religiously involved themselves."

Czarnecki perceives ZChN members as people of a cheery disposition who like to have fun: "Abstinence from alcohol is such a rare phenomenon among us, that it is even admired when it does happen."

In Czarnecki's view, the stereotype of ZChN members being violent and nervous, is also false: "A majority of our members are quiet and sedate kind of people"—ZChN's spokesman says.

Design of New Military Vehicles Presented

WS2505110094 Warsaw POLSKA ZBROJNA in Polish 20-22 May 94 pp 1, 5

[Report by (APW): "New Offer of Designers from Gliwice; To Help the Infantry"]

[Text] The prototype is supposed to be ready at the end of this year. For the time being, it remains only an offer from the Development and Research Center of Mechanical Devices [OBRUM] in Gliwice. What is important, however, is that it will not be simply art for art's sake. At the third conference devoted to the problems of armament, held in Rydzyna, Wojciech Zajler, one of the designers of the new Polish infantry vehicle, pointed out that the vehicle is being prepared in close cooperation with "a military decision-maker."

At the request of the Army, the new combat armored vehicle [BWP] is supposed to resemble the T-72 tank. Even though the Gliwice designers believe that it will not be an "optimum structure" as a result, they take the Army's opinion into account. This compromise has very real economic dimensions, both in the present difficult financial situation and in the immediate future, which will probably be equally difficult. The same spare parts as in the tank as well as similar crew training will certainly have tremendous influence on the price of the entire undertaking.

It is clear that the Army would like to have something new, something that would be in line with the present

development trends; however, they would like to achieve that for the lowest possible price. The offer of OBRUM may make that possible.

However, there is one snag in the entire affair. As a matter of fact, the Army would like to have a BWP with an armour thickness of between 10 and 60 millimeters; in addition, the military would like it to be amphibious as well. This is not possible, said the designers in Gliwice and therefore, their new proposal consists of... two offers.

BWP-94

This is the one that should meet the requirement of strong armor and strong power in general. The engine and the transmission are identical to those in the T-72 tank; however, the mechanisms were moved to the front. Two gearboxes (the same that are found in the tank) were located on both sides and linked coaxially to the drive wheels of the track system. Between the engine and the gearbox there is supposed to be generator starter, also of the T-72 tank type. The designers changed the indirect transmission crankcase, due to the necessity of adjusting it to front-wheel drive.

On the left side behind the engine there is room for the driver. On the right side are the radiators and the fans. The exhaust system is connected into the outlet radiator air channel.

On the central part of the frame is mounted a turret with the main armament. In the rear there is room for eight soldiers, sitting back-to-back in two rows. In front of each soldier, in the side panels, is a narrow firing slot. On the rear there is a loading platform. It opens hydraulically and contains two smaller hatches for soldiers.

The drive mechanism consists of six geared wheels, fixed on cranks. All this, including the tracks, are just as on the tank. The vehicle's suspension consists of coiled torsion bars.

The armament of the BWP-94 is supposed to be made up of a 35- millimeter gun ("Oerlikona") located in a two-man tower. Placed coaxially to it is a 7.62-millimeter gun and 12.7-millimeter NSW plot above the tower. The design also provides for PPK launchers above the tower.

The combat weight of this 11-person vehicle is supposed to be approximately 30 tons. It is anticipated that its range will be 500 kilometers and with a maximum speed of 65 kilometers per hour.

It will be 6.7 meters long and 2.3 meters high. The width between the tracks is supposed to be 3.37 meters, and ground clearance—0.45 meter.

It is planned that it will be equipped with a fire-fighting and anti-explosion Deugra system. Communications is supposed to be maintained by means of: an R-173 radio transmitter, an R-173 radio receiver, and an R-124 radio telephone.

BWP Amphibian

Due to the requirement of floatability, the parameters of this offer of OBRUM are entirely different. The combat weight of the vehicle is "only" 17.3 tons; the thickness of the armor—from 6 to 10 millimeters. It has room for nine soldiers.

In order to achieve the location of the center of weight on the axis of the center of the uplift pressure, the designers had to place the greatest burdens symmetrically, along the lengthwise axis of the frame. The drive of the vehicle, which is a 800-horsepower MTU V 6 engine, is at the front, behind the driver. In the central part there is an armament turret; in the rear part—there is room for six soldiers.

The front was designed to enable smooth ride on the water and to achieve a positive dynamic uplift pressure. Above this board there is a suspendible breakwater. The drive mechanism consists of six special drive wheels of 6 centimeters in diameter.

Above the landing-troops part two tight hatches were designed. The rear, more specifically, the loading platform which is lifted hydraulically, has two hatches as well.

The armament of this vehicle is supposed to be the same as the armament in the other vehicle.

Will the Army Buy It?

It is too early for the final answer. It cannot be said today whether the Army will be interested in one or both offers. However, it is good that there is something going on in our arms industry. At any rate, it seems that the above-described constructions of OBRUM may be some supplement to the cooperative offer (with the Swedish Bofors) of the factory in Stalowa Wola.

PAC Leader Supports 'Cooperation' Government

AU2405112694 Bucharest CURIERUL NATIONAL in Romanian 16 May 94 pp 1, 3

[Interview with Nicolae Manolescu, president of the Civic Alliance Party, PAC, by Ralu Filip; place and date not given: "The Idea of a Coalition Government Is No Longer Topical"]

[Text] [Filip] The majority of commentators and political leaders argue that we are facing a moment of political crisis. I would like to ask you whether you agree with this view and to give us your opinion about the reasons, consequences, and prospects of this crisis.

[Manolescu] I believe that the major reason for the current political crisis is connected with the fact that the parliamentary majority and the government backed by it have not yet found the appropriate solutions to the problems that we are facing. Not only have they not found the solutions, but they have also set off on a path that leads nowhere. Or rather, it does not lead to any of the solutions that would solve Romania's current problems. In turn, the parliamentary opposition has virtually exhausted all avenues of negotiations or understanding with the PDSR [Social Democracy Party of Romania] aimed at finding a solution, other than early elections and a change in the parliamentary configuration. A month or two ago, when the negotiations between the opposition and the ruling party began, I was optimistic and believed that together we could find a solution that would not involve early elections. Today I am no longer sure that there is such a solution.

[Filip] Do you believe that early elections could be the solution to the current political crisis?

[Manolescu] The early elections option is double-edged. In addition, we are not sure that the elections would create an acceptable and reformist configuration of Parliament. To start burdening people with an electoral campaign now, with all the expense that this involves, would ultimately mean ignoring that people want to know what they are going to eat tomorrow, whether they will have jobs, and whether inflation will be kept more or less under control. Thus, it means forgetting all these things and producing electoral slogans again, which, no matter how generous they are, cannot ensure food or the other things that people need. That is why, in my view, early elections would involve a certain amount of immorality. However, if there is no other way, ultimately we may resort to it.

[Filip] Let us imagine that the PDSR did not reach an understanding with the opposition and that this did not result in early elections. How would the country be governed under such circumstances?

[Manolescu] Unfortunately it would not be possible to rule the country under such circumstances. I will give you an example in this respect. One of the objections to

government policy is the excessive delay in implementing privatization and the preservation of bankrupt enterprises. The MEBO [Management and Employee Buy-On] program proposed at one stage has been contested by everybody. Even in the PDSR program there is a clear statement that the MEBO program is not efficient and involves great risks. We have suggested an alternative, that is, a privatization program, which the CDR [Democratic Convention of Romania] and the PD(FSN) [Democratic Party (National Salvation Front)] have also accepted in principle. We presented this program to the trade unions and the economists and held a symposium on it in Buftea, and everywhere we received a favorable response, meaning that people said yes, this program indeed suggests a solution and must be given a try. But the PDSR is ignoring this program just because it comes from the PAC [Civic Alliance Party].... We believe that the program represents a viable solution and must be discussed and never mind who initiated it and who drafted it. We do not wish to turn this program into political capital. However, we are keen that it should be implemented. There is another aspect worth mentioning here. Our program, or anybody else's program of this kind, cannot be implemented at any time that we wish to do so. Thus, we are linked to a deadline and this deadline is the beginning of next autumn at the latest. To achieve a privatization program we need certain laws that must be passed by Parliament, thus presupposing parliamentary support and the broadest possible political and social basis. The majority on which the PDSR now relies does not respond to this requirement, in spite of the greater number of seats that they hold, which nobody knows for how long. Delaying the privatization process leads to hyper-inflation and, further, to a deterioration to the very limits of social life. And how can one govern under conditions of social instability?

[Filip] Recently, in an interview granted to our newspaper, Mr. Corneliu Coposu [president of the National Peasant Christian Democratic Party-PDSR] came up with a way to get out of the current crisis by forming a cooperation government, which should be made up of parties with different, even opposing, ideologies and programs, and which should rule on the basis of a minimal program jointly agreed upon. We can call it interesting that [PDSR President] Oliviu Gherman also expressed a similar support for the idea of a minimal program that could be followed by any government or parliamentary combination. In spite of these similarities and convergence of ideas, a cooperation government and minimal program are far from being accomplished. Thus, the following question arises: How sincere are the proposals made by political leaders? How sincere is their will to reach an understanding that is of benefit to the country?

[Manolescu] I could say that in this case the issue of sincerity does not have any importance. Sometimes we are compelled to do certain things against our beliefs or interests. Basically, I am not even interested in whether the sides involved in such a discussion are sincere or not.

What is important is that they should reach an agreement. Better a hypocrisy that leads to an accord than a sincerity that disunites.

Second, the idea of a coalition government is no longer topical. This was discussed after the Cotroceni meeting, when the opposition put to Iliescu a proposal to mediate between the CDR and the PDSR. This issue is no longer topical. At that time we proceeded from the following course of actions: We said that first of all we, that is, both sides, should sit down and examine whether—as Mr. Gherman said—there is the possibility of agreement on a minimal program. This would have been the first compulsory stage. Then, if we agreed on such a program, we should examine how it could be implemented. But to implement something you need laws. Therefore, we need the support of the opposition, which it should grant to the government under certain conditions and for a given period of time. Then, finally, when we have the program and we have the laws, we must also have the people to do the work. These were our proposals: a minimal program, a different parliamentary configuration, and a coalition government. We never reached the stage of seriously discussing the second and third proposals because we never sat down to discuss the minimal program!

[Filip] Why not?

[Manolescu] First of all because of mutual suspicion. Each side suspected the other of being insincere. However, I want to repeat: It seems useless to discuss this issue because I can understand that even when the PDSR is not sincere in embarking on an action, it will still do so because it is under pressure from the IMF, the trade unions, its own electorate, or the general situation prevailing in Romania.

[Filip] Oliviu Gherman affirmed that there is no political crisis in Romania because there is a parliamentary majority of 53 percent. He also said that the tacit understanding of the PDSR with the PSM [Socialist Workers Party], the PRM [Greater Romania Party], and the PUNR [Romanian National Unity Party], which have allegedly accepted the PDSR program, is satisfactory for governing the country. Do you believe that Romania can be ruled on the basis of such a political formula?

[Manolescu] Officially, there is no political crisis. We have a Constitution, a Parliament, a government, a president, an opposition, and all that. However, if we consider that Parliament does not succeed in passing laws that are necessary for the reform, that the government comes up with a draft budget that aims to support bankrupt enterprises and not revive and assist those able to produce something and the private sector, then we do face a political crisis. Because neither we nor they are doing anything. We cannot because we are not governing. Those who are doing nothing because they have other interests or because they are also blocked by God knows what mental inertia, so to speak.

[Filip] Do you think that the current government coalition is able to implement the economic reform in Romania?

[Manolescu] The current coalition has no means of implementing such a reform in Romania. A lot of shortfalls have appeared in this coalition—which includes the PDSR, the PUNR, the PSM, and the PRM. The PUNR currently wishes to withdraw its support and denounce the protocol with the PDSR; the PSM has made explosive declarations regarding current social life; and the PRM has acted in a similar fashion. It is clear that the PDSR cannot go any further with these allies, especially as far as reform policy is concerned. It must decide whether it wants to continue moving along with its current allies and with pseudo-reforms, which will lead to hyperinflation and disaster or look for allies somewhere else and negotiate each point of a minimal program with them.

[Filip] Do you really believe that the shortcomings that you are talking about are real? What can stop the PSM, PRM, and PUNR members of parliament from continuing to vote with the PDSR?

[Manolescu] The shortfalls are real. It was possible for the PSM and PRM to vote for the investiture program, and the memorandum with the IMF was a contradiction of their own doctrines and platforms. In other words, the PSM and PRM voted for a program that is 80 percent liberal. The memorandum with the IMF, except for the excessive taxation and two or three additional things, is almost a liberal program. I do not believe that [PSM President] Verdet can continue with such a program to the very end and to the very last consequences. The PDSR should take this into account. The support that comes from the left is temporary and it will last only as long as the PSM and PRM wish to remain in the coalition because they have certain interests in doing so. At the moment I do not know what type of games will be played before the elections, but you will see that the two parties, even the PUNR, will denounce the government. As a matter of fact, this is happening even now. The press is full of accusations and criticism against the government voiced by its current allies.

[Filip] I agree: During the voting in Parliament, all those who criticized the government are supporting it...

[Manolescu] Here we are witnessing a political game and I believe that this game will last only as long as the conditions that generated it also last. When they no longer have an interest—around the time of the elections, for example—the PSM, PRM, and PUNR will withdraw from the coalition, and the reason that they will invoke for this move will be that they can no longer participate in the country's disaster because they would lose credibility and their own electorate, which is attached to the idea of state ownership and does not want reform but rather the conservation of certain structures. Since the existence of these parties and their

political success depend directly on a certain type of voter, they cannot afford to risk too much.

There is a certain limit that they cannot exceed. That is why the PDSR must understand that if it wants a reform program, then it has to look for reformist allies. If it does not want this, then it can stay with its current allies. But in that case, it will get into an impasse and that will be the moment when the political crisis will no longer be—as Mr. Gherman says—only a rumor but a real one, and it might bring about the fall of the government.

[Filip] If we were guided by the results of the latest opinion poll, which indicates a very high percentage in favor of the PNTCD [National Peasant Christian Democratic Party], we could conclude that there is a risk that the size of the CDR might be reduced and mixed up with the PNTCD. Am I mistaken or is there indeed such a risk?

[Manolescu] There was such a risk especially during the last elections and it continues to remain. But this is a risk that we have accepted and the PNTCD—we must admit this—emphasized it as much as it could. This situation suited them.... Now it is to be seen if in the next elections the electorate will want a convention that can be identified with the PNTCD or one in which each political formation, starting with the most radical and ending with the most "well behaved," is appropriately represented. As far as the opinion polls are concerned, I read them in two ways. First, as if they were perfectly correct. However, I ask myself what will happen at the elections, because Romania is not a country where you can say that if the opinion polls come up with a certain result, this will also be the result of the elections. Then, there is another way of reading them. I do not believe that in our country opinion polls are not manipulated. The sympathies and antipathies of those who conduct them are quite obvious, so this is a situation in which I read the opinion polls as signals coming from those who manipulate them and who wish to implant a certain idea in my mind. Why is the CDR leading and why does the PNTCD have a higher percentage than it could have hoped for? The opinion polls may create a certain state of mind that makes us believe that we are already the winners. Thus, let us have early elections and win them! But then we go into the elections and realize that we have lost again! I distance myself from such opinion polls.

[Filip] Is the CDR a political formula compatible with the liberal alternative?

[Manolescu] We have said that it would seem normal to us if the PNL [National Liberal Party] returned to the CDR, where it was from the beginning and from which it withdrew because of an error committed by Mr. [Radu] Campeanu [former PNL leader], an error that, as a matter of fact, cost him dearly. In this way two very clear political factions could be established within the CDR. The Christian democratic side and the liberal side. This however does not mean a split in the CDR, but a certain

clarification that is recommended both for parties as well as for the electorate. That is all, it means nothing else!

[Filip] Let us assume that the CDR won the elections. In what direction would Romania move?

[Manolescu] From an economic point of view it would move according to liberal doctrine. There is no alternative on this point, as even social democratic parties prove to be liberal when they come up with reform programs. From the social viewpoint, none of the liberal parties is so naive as to believe that a sudden liberal reform without social protection, without elements that would consolidate the family and the civic society, can produce positive results. Thus, there would be no great problem because the liberals and the Christian democrats understand each other on fundamental issues. They also talk about a liberal economy just as we talk about the civic society and social protection. There is no other way.

[Filip] Currently, the liberal parties are split and some of them are troubled by internal conflicts. Therefore, the image of Romanian liberalism is about to be discredited. What would be the consequences of a possible failure of liberalism at the next elections?

[Manolescu] The current image of our liberalism is very poor and if the liberal movement fails it will be a disaster. The PAC and the PL'93 [Liberal Party '93] have been in conflict not for ideological reasons in the first place, although there are certainly differences between us, but mainly for personal reasons. There is a struggle between two wings within the PNL, a struggle between two leaders who are not separated by differences of doctrine. If the liberal parties do not learn how to set aside these confrontations of a personal nature and generated by arrogance, then it means that they want to commit suicide. The unification of the liberal movement does not necessarily mean a merger. You do not walk over all the personalities and place Patriciu [member of the PL'93 leadership] in a position to give orders to [PNL President] Quintus or vice versa. But at least an alliance of principles and program can be achieved by maintaining the identity of each party. If liberalism fails, it will lead to the loss of its electorate and to the establishment of a parliament that resembles the parliament in Poland, with the consequent political consequences, among them the strengthening of the left....

[Filip] On several occasions, representatives of the "A Future for Romania" group have stated that the traditional left-right model is worn out and another political formula is required. What is your opinion of this?

[Manolescu] I agree with it. In a society as confused as ours, a clear model with precise delimitations between right and left has never worked. Our electorate is not very receptive to terms such as right or left. However, we have no other choice because this is the classical definition of the fields of political force. Either we use them or we do not.... But I do not believe that the essence lies in

terminology. I do not believe that an electoral campaign based on terms such as right or left will clarify things for many people.

[Filip] What formula would you suggest?

[Manolescu] Currently the situation is simple. Reformists and anti-reformists.... Thus, also the word reform should be checked to see whether it has been discredited in the post-December 1989 period.... However, let us say that we still have a tradition of four years of reformism and anti-reformism. Do you want changes or not? If you want changes, we understand each other. The pace and methods can be established later. But if you do not want changes, then there is nothing to talk about!

Ω Reaction to Death of Chief Rabbi Rosen Noted 94P20797A

[Editorial Report] Several Romanian papers carried reports and commentary on the death of Moses Rosen, chief rabbi and president of the Federation of Jewish Communities of Romania (FCE) and leader of the Romanian Jewish community since 1948, on 6 May at the age of 81, as well as speculation about his possible successor. The independent daily Bucharest ADEVARUL on 7 May published the FCE announcement of the death and a photo of Rosen on page 1 of its 7 May edition, and on 9 May published two photographs and a brief report on the funeral. The main opposition paper ROMANIA LIBERA, on the other hand, reported the death in a brief factual account on page 9 of its 7 May edition.

Possible Succession

ADEVARUL speculated in an article on 9 May that a layman would probably be selected for the position of FCE president but that it would be "difficult to predict" who would succeed Rosen as chief rabbi, since there are "very few rabbis in Romania, and they are all quite old." ROMANIA LIBERA on 9 May opined that the president of the Jewish Community of Timisoara, Rabbi Dr. Ernest Neumann, would succeed Rosen as chief rabbi and that Sorin Iulian, former head of the General Inspectorate of the Militia in Bucharest, would be named president of the FCE. TINERETUL LIBER on 9 May reported that it had learned from "unauthorized sources" that Academician Dr. Nicolae Cajal had the best chance of taking over the leadership of this community.

President Iliescu Condemns Anti-Semitic Acts

An article in the 9 May issue of the popular daily EVENIMENTUL ZILEI, which is consistently critical of Iliescu, reported on Rosen's funeral and on President Iliescu's reaction. In an article headlined "President Ion Iliescu Said That Thousands of Jews and Innocent Persons Were Massacred by the Romanian Fascists," the paper noted that Iliescu gave a "surprising" address at the funeral, "condemning in unequivocal terms, from his

'position as head of state,' the years of the Iron Guard rebellion," referring to the fascist organization of the 30's and 40's. According to the article, Iliescu recalled a 1976 ceremony in Iasi at which he and Rabbi Rosen unveiled a monument dedicated to the memory of persons "massacred" in 1941 by "Romanian fascists under the protection of the state." Iliescu called it a "disgrace" that there are forces today which are "attempting to rehabilitate actions of inhuman cruelty committed against a population, not only against Jews, but against all peoples and against the Romanian people." He said that he had "lived through the horrible days and nights of the Iron Guard rebellion in 1941" and "knew the families which suffered the losses" and "all the atrocities Romanian Jews and Jews in other parts of Europe experienced and the sufferings the Romanian people endured under oppressive regimes." EVENIMENTUL ZILEI adds that, concluding this veritable confession and personal testimony, "Iliescu expressed the hope that such moments 'would never be repeated in the history of the Romanian people and of humanity' and stated that 'public opposition to the new attempts to 'regenerate' such trends is the common duty of all."

Other Reaction

A condolence message to the FCE from the Executive Bureau of the Democratic Party, published in the party's paper, AZI, on 9 May, praised Rosen, saying that "his prominent personality, which has a permanent place in contemporary history, will be, for the members of our party, an example of a brilliant scholar, a servant of God, a fighter for the defense of the interests of his community against extremism, xenophobia, and anti-Semitism and for the promotion of the values of humanity."

The youth newspaper TINERETUL LIBER of 9 May lauded Rabbi Rosen for "completely transforming the recent history of Judaism in Romania, fighting for freedom of religion for Jews and obtaining the emigration of more than 300,000 Jews to Israel in exchange for the payment of sums of money to Ceausescu. After the collapse of the Iron Curtain, Moses Rosen protested vehemently against attempts to rehabilitate [World War II-era dictator] Marshal Antonescu and against the anti-Semitic tendencies of some parties and publications in our country."

In contrast, Senator Corneliu Vadim Tudor, one of Rabbi Rosen's strongest critics and owner and chief editor of the ultra-nationalist weekly ROMANIA MARE, presented a different picture of Rosen in the paper's 13 May issue. After introducing his article with the Latin saying "De mortuis nil nisi bene [bonum]" (Let nothing be said of the dead but good), Tudor admitted that he had a "strange feeling" when someone brought him the "good news" of Rabbi Rosen's death: "My greatest enemy was dead, and I was suffering as one would suffer after the death of a friend."

While he praised Rosen for participating in the 1 December 1993 Alba Iulia National Day festivities celebrating the anniversary of the Union of the Principalities, much of his 6,000-word article consisted of a denunciation of actions Rosen allegedly took against Tudor and against certain "respected Romanian writers" during the past 15 years. These actions, according to Tudor, included "falsifications of the truth," the removal of books from bookstores and libraries, and "defamatory statements" to the world press. Tudor also reported receiving critical telephone calls from "ordinary Romanians" who "were exasperated" because Radio Bucharest devoted two hours to the Rosen funeral services in Bucharest. Other comments Tudor says he heard were: "It's a wonder that Iliescu did not proclaim a national day of mourning!" "The richest man in Romania has died. Who got his money?" "Who is paying for the charter flight to Israel [where Rosen was buried]?"

Continuing, Tudor said: "This is not the time or the place to judge the rabbi's sins against the Romanian

people. Who knows, perhaps they can be compensated for by his very great service to his people, Israel, helping about 400,000 Jews to leave Romania for the Promised Land, the land of their ancestors, which is quite admirable and to his credit! As for me, I have the courage and honesty to forgive him for the days and nights of nightmares he caused for my parents and for me. To forgive and forget is Christian. This is the difference between Christianity and Zionism, which does not forgive, does not forget, and even invents, constantly, other plagues, other holocausts, and other hunters of men." In conclusion, Tudor wrote: "Moses Rosen was a person of international caliber, an educated man, a brilliant scholar of the Bible and the Torah, a character from a novel, a devoted husband, a distinguished pastor of Jewish souls. I think that all these qualities will carry a lot of weight at the Last Judgement. May God forgive him his sins, value his merits, and give rest to his tormented soul. Lord have mercy on him! I forgave him long ago."

Izetbegovic Said To Reject EU Division Plan*LD2405132694 Belgrade TANJUG in English 1105
GMT 24 May 94*

["Pool" report]

[Text] Belgrade, May 24 (TANJUG)—Bosnian Moslem leader Alija Izetbegovic on Tuesday [24 May] dismissed as utterly unacceptable the European Union (E.U.) plan on the territorial division of the former Yugoslav republic of Bosnia-Herzegovina, under which 51 per cent of the territory would go to the Moslem-Croat federation, and 49 per cent to the Serbs.

In a statement to Radio France International (RFI), whose programme was monitored in Belgrade, Izetbegovic said that the world's insistence on such a settlement implied a continuation of the war. Foreign ministers of the United States, Russia, Great Britain and the European 'troika' (Belgium, Greece and Germany) accepted in mid-May the E.U. formula envisaging this division of the Bosnian territory.

The Bosnian Serbs, who owned 64 per cent of the territory before the outbreak of the war in 1992, now control 70 per cent. Izetbegovic described the forthcoming Geneva meeting of a Bosnian Moslem delegation with U.S. presidential envoy Charles Redman and the contact group for Bosnia not as negotiations, but simply as meetings in which Redman and the contact group would inform the Bosnian Moslem side about their stands.

The contact group, made up of U.S., Russian, E.U. and U.N. representatives, was set up in late April with the aim of restoring the Bosnian peace process. Izetbegovic took another opportunity to disparage special U.N. envoy Yasushi Akashi and said that Akashi had fallen into oblivion and that he was already regarded as history in Bosnia.

Izetbegovic Statement Reported*LD2405084894 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 0600 GMT 24 May 94*

[Text] During his visit to Paris yesterday, Presidency President Alija Izetbegovic made a statement for Bosnia-Herzegovina television. He spoke about the coming Geneva negotiations between our delegation and the contact group.

Izetbegovic said: We hesitated over whether to go to the talks. There were different stands on this issue. We concluded that the reasons for [words indistinct] prevailed. These are not real negotiations, and our delegation (?sees them) only as an opportunity to inform about the true state of affairs before the 30 May session of the Assembly of the Republic of Bosnia-Herzegovina. We have had indications that certain favorable changes have been made in the contact group, and we will try to exert influence on the contact group's stands. Public opinion in France and the United States seems to go in the

direction which could exert influence on certain stands being changed to comply with our wishes.

Asked what he thought about the return to the negotiations of Lord David Owen and Thorvald Stoltenberg, President Izetbegovic said: Our great reservations about their involvement in the negotiating process are very well justified. It is well known that they have brought no good to us. They advocated stands which were against the interests of Bosnia-Herzegovina and, unfortunately, they were successful in doing that, so that it was difficult (?to play that game) with them. I think that our delegation at the meeting will speak out against the talks. We sent a letter demanding Yasushi Akashi's resignation. We refused to receive him on several occasions. I do not know how much they respect our opinion, and whether they believe they should act in line with our wishes.

Among other things, President Izetbegovic said the following about a possible denouement in the military and political spheres: Unfortunately, I cannot say that I expect a great deal because I have been frustrated by the failure of negotiations so far. I can say in particular that I do not expect much because the contact group is again repeating the percentage of 51 [for the Croats and Muslims] to 49 [for the Serbs], and we will see whether they have changed their position on this. We cannot [words indistinct] our occupied territories. The pressure exerted on us to accept the proposed 51-49 percentage could be (?seen) as the continuation of war, but not through our fault, but through the fault of those who have not given us choice. We keep repeating that we are in favor of a just peace. What is being offered to us is not just peace, unless considerable changes are made in future talks.

Regardless of what the world wants, it is, objectively speaking, pushing us toward war. They have not offered us any alternative. We have already defined our aims on the lower limit of a bearable minimum, but further concessions have been demanded of us. I believe that we can make no more concessions, President of the Presidency Alija Izetbegovic said among other things in an interview for Bosnia-Herzegovina television.

Krajisnik Sets Conditions for Peace Talks*AU2405202294 Belgrade Radio Beograd Network in
Serbo-Croatian 1700 GMT 24 May 94*

[Report by Borko Stosic from Geneva]

[Text] The Serbian delegation arrived in Geneva this afternoon. Immediately upon their arrival from the airport, President Krajisnik [title as heard] and Foreign Minister Aleksa Buha left for the Russian Permanent Mission to the United Nations where they sat down with the member of the contact group representing Russia. They stayed there for nearly two hours and afterward went directly to the Palace of Nations to meet with Lord Owen and Thorvald Stoltenberg. This meeting lasted for quite some time.

At approximately 1700, after the meeting, Momcilo Krajisnik gave a brief statement for the press in which he stressed that the Serbian Republic delegation will participate in the talks on three conditions:

That it be given a perfectly equal status;

That all hostilities end immediately;

That the percentages regarding the division of territories be a subject of discussion and negotiations and not determined in advance by a dictate. Namely, if this is the case then there is no reason for the talks.

Regarding [President of the Bosnia-Herzegovina Presidency] Alija Izetbegovic, he is repeating his stance that he had not arrived to negotiate but to merely inform himself and establish contacts with the representatives of the United States and Russia in the contact group.

Ganic Discusses Peace Terms, Criticizes Akashi

AU2405143694 Munich FOCUS in German 21 May 94
p 218

[Interview with Bosnian Vice President Ejup Ganic by Nigel Rahimpour; place and date not given: "Akashi Is Concluding Deals With the Serbs"]

[Text] [Rahimpour] Following Gorazde, will Brcko also fall to the Serbs?

[Ganic] We will defend ourselves, but, because of the arms embargo, we have only a limited number of armor-piercing weapons. Serbia will continue fighting. The Serbian offensive will continue, because they have received contradictory signals from the international community. In Gorazde, the Serbs got round the NATO ultimatum. NATO should have put the Serbs heavy weapons out of action, but Mr. Akashi failed to give a green light. He preferred to have 100 dead and 1,000 injured Bosnians to the destruction of 30 Serbian tanks.

[Rahimpour] Do you believe that UN emissary Akashi has been making deals with the Serbs?

[Ganic] Instead of respecting UN resolutions, Akashi has been working closely with the Serbs. The high point came when he allowed them to take their tanks from Sarajevo and position them in places from where they can attack our positions. He is responsible for the deaths of people in Gorazde. He could have prevented the massacre.

[Rahimpour] How do you envisage the establishment of peace?

[Ganic] The Serbs should return land to the Croats and Moslems. That means a withdrawal from those areas where Croats and Moslems constitute a majority.

[Rahimpour] Are you satisfied with 51 percent of Bosnia's territory?

[Ganic] The Serbs are talking about 51 percent, we want more. We will begin by implementing the federation on the territory that we control. We will continue with our efforts using political means, but if necessary, we will also resort to other means.

[Rahimpour] Military means?

[Ganic] The international community should tell us how we are to recover our territory.

[Rahimpour] What do your territorial claims mean in quantitative terms?

[Ganic] We are demanding about 66 percent of the Bosnian territory that was held by Croats or Moslems before the war. For the sake of peace, it could also be somewhat less than that, but then that would have to be settled beforehand with those private property owners who have been expelled. The best thing would be a federation in which everyone could return to where they come from. We are only calling for the restoration of the situation that existed before the war.

[Rahimpour] What else do you want?

[Ganic] We want the war criminals to be identified and sentenced. Only then can we live together once again. People who left their sons or daughters in the genocide will be able to direct their hatred away from those who carried out orders and project it onto the responsible war criminals.

[Rahimpour] What are the limits to your readiness to reach a compromise?

[Ganic] The Serbs will not, of course, receive any territory from us that does not belong to them, unless the European Union and the United States give them land.

[Rahimpour] Can the enclaves in eastern Bosnia survive?

[Ganic] Yes, people only need to be given back what belongs to them, and the United Nations should protect the enclaves.

[Rahimpour] But who can guarantee that the corridors linking the greater part of the country and the enclaves in eastern Bosnia will not be severed by the Serbs at some point?

[Ganic] Any agreement must guarantee the security of the enclaves. Not only our army, but the United Nations too should protect them. In the end, the United Nations created the enclaves. They should also defend them now.

[Rahimpour] But the United Nations cannot even defend itself.

[Ganic] It can. After all, they have 300 NATO jets at their disposal.

[Rahimpour] Would you be prepared to exchange the enclaves in eastern Bosnia for more land in central Bosnia?

[Ganic] No! There can be no Bosnia without eastern Bosnia. Land west of the Drina River has never belonged to the Serbs.

[Rahimpour] Does the Moslem-Croatian alliance have a future?

[Ganic] Yes, of course. It constitutes a renaissance of part of Bosnia, a renaissance that should extend to the entire country.

[Rahimpour] Have the peace negotiations in Geneva become irrelevant?

[Ganic] Yes, unless the military balance between us and the Serbs can be restored. That is the only way in which one can make them give us more land.

General Mladic: Key to War in NATO's Command

BR2405144794 Rome *IL MESSAGGERO* in Italian 22 May 94 p 3

[Interview with Serbian General Ratko Mladic by Valerio Pellizzari in Belgrade; date not given: "I, The War-And-Death Lord"]

[Text] Belgrade—*Ratko Mladic is the true warlord in Bosnia. His artillery has shelled Knin, Sarajevo, Tuzla, and all the other towns with Muslim majorities—without making any distinction between civil and military targets. This general has become Greater Serbia's protector, the symbol of ethnic cleansing in Bosnia. The appointment was on Belgrade's hills, far from the din of war.*

[Pellizzari] Why did you relentlessly shell Gorazde, a UN safe area?

[Mladic] We attacked after the Muslims had attacked us for 15 days. They were firing on our positions in an attempt to link up with the other safe areas which are under their control—not to defend themselves, but in order to spread the war in Serbia and Montenegro.

[Pellizzari] The snipers were targeting children too, and the shells were falling on hospitals.

[Mladic] You should have asked Izetbegovic these same questions two years ago, when they attacked our military hospital. Or in 1991, when the Croats were beheading women and children on the banks of the Korana river, or when they blew up Serbian homes with people still inside them, and then sang "Thank You, Germany" in German.

[Pellizzari] Near Tuzla, late at night, you also fired on UN Blue Helmets.

[Mladic] The report you saw is completely false. The clash took place in the night of 29 April. The Blue

Helmets fired 72 shells, killing nine people and wounding others. They attacked because they want to transform Tuzla into a NATO airfield. In the past, they could move very freely in that area, and they did not fulfill their commitment to station Russian officers there.

[Pellizzari] Why do you always prefer Russian Blue Helmets? Do they favor you?

[Mladic] No, they are neutral. But a great country must intervene in this war in which all foreign countries are intervening.

[Pellizzari] Tito, however, did not believe all that much in Slav brotherhood and in Russia's disinterested involvement in this area.

[Mladic] This is a political question, and I do not wish to answer political questions, ever. However, I will make an exception. Without Tito and his drunken followers, this war would have never taken place. In any case, it was not us who started it.

[Pellizzari] Any agreement or compromise reached with you becomes fragile, uncertain. You were supposed to move away six tanks, under UN supervision, but instead you did things your own way.

[Mladic] It is a small episode.

[Pellizzari] Yes, but a significant one.

[Mladic] This is my country, and my country is sovereign within its borders. I am the one who decides where to locate troops and military equipment. Just as you decide at Aviano or Falconara [Italian air bases].

[Pellizzari] Is there any difference between a war fought between armies and a war fought against unarmed civilians?

[Mladic] I have studied Hannibal, Alexander the Great, the Crusades, and World War I and II. This is the most difficult and the strangest war ever to have been fought on earth. It is a different conflict because our enemies were citizens in our own state. And it is a low-intensity war, as military experts say—one decided abroad, by Europeans, by the Americans, by the Turks.

[Pellizzari] You see things in a very black-and-white fashion, with all the blame on one side.

[Mladic] Listen, to quarrel there must always be two sides, and to make peace you need two sides too. But the greatest blame must go to those who attacked us. We are defending our people and our land, and here we can see the international community's double-dealing. Instead of being neutral, the United Nations, too, has provided the Muslims with fuel and arms which were sent together with the humanitarian aid.

[Pellizzari] There is one village that you have always refrained from attacking.

[Mladic] Yes, Suni, where the Ustasas killed my father during World War II. I never found my father's grave. The majority of the population there are Muslims, but I never attacked those people. I would have been accused of wanting to take revenge for family reasons.

[Pellizzari] Sum up your biography in a few sentences.

[Mladic] I was born in Bosnia and I am like many other Serbs who were born there. I attended all the various military schools, and went through all the various ranks. But I have a tragic fate. Toward the end of the 20th century, I must use weapons to react against the extermination of my people.

[Pellizzari] You have a very bad reputation in the Western press. You are the symbol of ethnic cleansing.

[Mladic] I am aware of it. I am a general and I am more aware than others that war is a very dirty business. This word ought not even exist in human speech. Weapons are a terrible invention. I believe that even toy weapons ought to be forbidden throughout the world, from north to south.

[Pellizzari] If some day politicians decide that this war must end, that the embargo must be lifted, and that Mladic must step aside, what will you do then?

[Mladic] Politicians start wars, and generals carry them out—it is like this everywhere. Again, it is politicians who decide when the moment has come to put an end to war. But this war's true warlords are to be found in the West. The Serbian people are awaiting their decisions. The fewer aircraft take off from UN bases, the easier will it become to achieve peace in this region. The key to the war lies in NATO's command. NATO is an alliance to defend its member countries, but no one here has ever threatened any of its member countries.

[Pellizzari] You place the Serbian nation above all other considerations.

[Mladic] There are two sacrosanct things in life: my country and my women. The soil and women bear life. In fact, only a few among them have any say in the battles waged between armies. Mrs. Thatcher wants to do so. She is helping the Croats and Muslims, this is why they are losing. After mothers, wives, and daughters, it is soldiers who most loathe war.

[Pellizzari] The conflict in Bosnia looks like a religious conflict.

[Mladic] Perhaps we Serbs are no better than others, but we are not any worse either. Nor are we a tennis ball that can be struck in all directions. Nor do we want to become like an Amazonian tribe on its way to extinction, or like a rare species confined to a reserve. Islam wants to penetrate into Europe, and the West will see it grow like a mushroom. However, I have always showed myself humane toward enemy soldiers. I may add that I have prevented the conflict from spreading.

[Pellizzari] How do you mean?

[Mladic] When shells start flying, they can fly in all directions, even very far from here. Toward the Pyrenees, toward Siberia. Let me remind you of the attempt in Sarajevo, in 1914.

[Pellizzari] Why do you prevail in battle?

[Mladic] I have a mind of my own, but I want no publicity. Ultimately, publicity does not allow you to live. Contrary to what is being said and written, I am not waging a war against the Croatian or the Muslim people. I am waging a war against their leaders, and against those instigating them from abroad. I respect my enemies, but I do not hate them. This is why I win.

UN Spokesman: Army Stepping Up Attacks

AU2405163694 Paris AFP in English 1545 GMT 24 May 94

[Text] Zagreb, May 24 (AFP)—Troops from the mainly Moslem Bosnian Government have stepped up attacks on Serb-held positions in northern Bosnia, UN Protection Force [UNPROFOR] spokesman Matthew Nerzig said Tuesday [24 May]. The spokesman said there were indications the fighting near Tesanj, a Moslem-held town, "could represent a significant increase in offensive actions" by the Bosnian Army.

A UN spokesman meanwhile said two Serb tanks had fired on Bosnian army positions within the UN-imposed heavy arms exclusion zone around the Bosnian capital Sarajevo. The tanks reportedly "fired from Mazovici, just inside the total exclusion zone." UN military observers also reported "heavy shelling and fighting" around Maglaj, another Moslem town 15 kilometres (10 miles) south of Tesanj. A spokesman surmised the fighting was "a possible attempt by the BiH (Bosnian Army) to gain ground west of the Maglaj pocket."

Further north, Brcko, under Serb control, had Monday experienced a second consecutive day of shelling believed to have been launched by Moslems. "There were 10 impacts recorded last night in Brcko," a UN spokesman said. "We have seen some significant shelling into Brcko and this is largely believed to be the shelling of the BiH side into the town." Unconfirmed reports suggested the shelling was designed to cut electricity supplies to Brcko, situated in a corridor linking Serb-held territory in Bosnia and Croatia to Serbia proper. Exchanges between Serb and Croat forces were also reported at Orasje, a Croat pocket of land northwest of Brcko.

Elsewhere, Bosnian troops shelled the northern Serb-held town of Doboj during Tuesday afternoon, causing damage, Belgrade's TANJUG news agency said. Doboj, with its population of 20,000, is an important regional rail hub. TANJUG said five people were injured in two rocket attacks on the town Monday.

Serbs Target Kalesija, Kladanj, Bihac, Brcko
AU2505085394

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 25 May carries in its regular 8-minute newscast several reports on the military situation in the republic over the last 24 hours. Reception is fair.

Reporting from Kalesija, Abdulah Ridjanovic says that "yesterday evening the entire commune came under attack, particularly from the direction of (Borogovo), from where (?Cetkovic), Gornji Rajinci, and Lazarevici were shelled with large-caliber howitzers. From the direction of (Dolina) and Djukanovic Brdo the enemy fired 82-mm mortars at Kalesija and the district of (Brdo). A fierce artillery attack was also launched from the infamous Mt. Majevisa on (?Vozuca) and Gornja Hrasnica."

Muriz Kreho reports from Kladanj that "during the last 24 hours the southern and southeastern parts on this front came under Chetnik artillery fire. From their strongholds in the temporarily occupied areas of Olovo, Han Pijesak, and Vlasenica, the Chetniks pounded our defense positions east of Karaula with howitzers, tanks, and mortars. Their long-range artillery also targeted the center of Kladanj. Dozens of large-caliber shells were fired between 1620 and 2000, but fortunately there were no casualties."

Describing the situation in Bihac, Mirza Sadikovic says that "during the night the united [Serbian and Fikret Abdic's paramilitaries] aggressor kept firing with small arms and antiaircraft weapons in the entire theater of operations of the 5th Corps and the HVO [Croatian Defense Council]. On several occasions they shelled the defensive positions on the Grmusko-Srbijanski plateau. During the night several artillery shells were fired at Cazin and the outskirts of Bihac, while members of Abdic's traitor paramilitaries attempted an infantry breakthrough at Pecigrad."

Hamiz Deronjic reports from Brcko that "over the last 24 hours the Serbian aggressor fired with small arms, trying to provoke the defenders' response. Yesterday evening the aggressor fired a dozen 82-mm mortars from (Rogozar) at (Jagodnjak). Our fighters, who have suffered no losses during the last 24 hours, did not respond to the enemy fire."

Serbs Violate Gorazde Cease-Fire, Wound Two
AU2405194294

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1700 GMT on 24 May carries in its regular newscast two reports on the fighting in the republic.

Mirudin Aldobasic reports from the 7th South Operative Group press center and says that "throughout the day, the chetniks from Mount Ozren shelled the village of

Mravici on the Doboj front. As reprisal for all the defeats that the Serbian rebels are suffering, they shelled civilians and residential areas. They fired several hundred shells at (?Planje), [name indistinct], Dobro Polje, Mrkopic, and the center of Tesanj. On several occasions between 1500 and 1700, on almost all of the separation lines, particularly on the Tesanj and [name indistinct], the enemy used chemical agents. However, the Bosnia-Herzegovina Army members are in absolute control of the situation in this region."

Gorazde correspondent Mustafa Kurtovic reports that "the day was again marked by serious Serbo-Montenegrin fascist provocations within the three kilometer exclusion zone. In the course of the day, at a distance of only 500 meters from the town center, in the district of Vara, two women were seriously wounded by snipers. This again confirms the impotence of the UN peace forces in Gorazde. The aggressor was not quiet in the 20 kilometer exclusion zone. He fired howitzer shells at the villages of Brdarici and [name indistinct]. There were small arms and antiaircraft provocations on the Ostanica-Ilovaca-Orahovice defense line. The criminals from the Vuk and Grah plateaus are constantly firing at the villages of Mravnjak, Potrkusa, Djindjici, Vranice, and Perjani. They are using antiaircraft machine guns, M-84 machine guns, sniper rifles, and portable rocket launchers."

Moslems, Croats Launch Tank Attacks on Serbs
LD2505023194 Belgrade TANJUG in English 2318 GMT 24 May 94

["Pool" item]

[Text] Doboj, May 24 (TANJUG)—Moslems and Croats on Tuesday afternoon [24 May] attacked Serb positions on all sections of the front from Doboj in the north of Bosnia-Herzegovina, through central Bosnia-Herzegovina, to the line of delimitation in the area of Nevesinje in the south of this former Yugoslav republic. Bosnian Serb military sources said on Tuesday evening. Armed forces of Bosnian Croats, the Croatian Defense Council—HVO, joined the Moslem forces with their tanks and attacked Serb positions in central Bosnia, REUTERS said on Tuesday evening, quoting sources of the United Nations Protection Force (UNPROFOR) in former Yugoslavia.

Bosnian Croat forces are actively helping Moslem troops against the local Serbs, REUTERS reported from Sarajevo. Two Croat T-55 tanks and HVO troops attacked Serb positions in a joint action southwest of Tesanj, REUTERS said. Two M-84 tanks also took part in this operation which began on Monday morning, said REUTERS quoting the same source.

Moslems forces are attacking serb defense positions and villages in fronts in the wider area of Doboj. In the afternoon hours, Moslems shelled Doboj and Serb villages and positions west of this town.

The Serb forces returned strong fire and neutralized the enemy operations.

On the front southeast of Teslic (south of Doboj), Moslem units have been trying to penetrate the Serb defense lines for days.

Moslems are speedily building up their forces south and southwest of Serb positions near Mt. Ozren (south of Doboj), the First Krajina corps of the Bosnian Serb Army said. United forces of the HVO and regular Croatian Army units on Tuesday fired several shells at Serb positions in the area of Gradine, on the front near Nevesinje (south of Mostar), TANJUG reported from Bileca on Tuesday evening, quoting a statement by the Herzegovina corps of the Bosnian Serb Army. The source also said that Serb fighters answered the attack, thus silencing the Croat guns.

Croat-Muslim Tensions Reportedly Rising

LD2405191294 Belgrade TANJUG in English 1859 GMT 24 May 94

[Text] Zvornik, May 24 (TANJUG)—Tensions are rising between the Bosnian Croats and Moslems, who dispute over territories in many parts of Bosnia, said sources close to the top-level officials of the Bosnian Serb army (VRS). The sources specify that tensions are most intense in central Bosnia, in the regions of Mostar, Gornji Vakuf, Prozor, Vitez and Vares. Moslems and Croats have obstructed the transport of humanitarian aid, banned refugees to return, and made many other similar actions.

The Bosnian Moslems and Croats continued fierce fighting during the last year for the territories with mixed population in central and southern Bosnia-Herzegovina until they abruptly reconciled in March. The Serb side has learned about more frequent Moslem-Croat armed incidents, which threaten with conflagration of war. Material destruction of facilities, including religious buildings, continues on both sides.

It is pointed out that, despite preparations of both leaderships to solemnly inaugurate a new Moslem federation on May 30, agreed under strong U.S. pressure, both people and local authorities of the two sides are becoming convinced that it is impossible to live in a new community. Both Moslems and Croats secretly pile up food, fuel and ammunition reserves.

In such a situation, the U.N. peacekeeping forces do their best to prevent atrocities and large-scale clashes from spreading and intensifying which could annihilate the Washington accord on a Moslem-Croat federation, the VRS sources say. The sources point out that inter-Moslem clashes continue in the autonomous province of

western Bosnia (APZB), in the far west of the former Yugoslav republic of Bosnia-Herzegovina. It is estimated that these clashes may escalate. The APZB was proclaimed by advocates of a peaceful settlement in Bosnia.

It was pointed out that units loyal to the Moslem government in Sarajevo have massively displaced population from the outlying sections towards the APZB. This fact is more than an obvious sign that forces loyal to the Moslem leadership in Sarajevo will launch a large-scale attack against the defenders of the APZB, the VRS military sources explain.

Army Criticizes UN as Serbs Defy Sarajevo Zone

AU2505105994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 25 May 94

[Text] The Information Service of the Bosnia-Herzegovina Army 1st Corps has issued a statement saying that the enemy is still attacking on the Visoko, Vares, and Breza fronts. The Chetniks have been pounding Visoko from their positions in Dolipolje, Kriva, Jelica, and Siljak. The Vares area has also been exposed to heavy artillery fire, particularly the defense lines in (Mesevicko Brdo) the villages of Rokoc, [words indistinct], and the town itself. The aggressor has been using his entire artillery arsenal in these attacks, including howitzers, tanks, mortars, heavy guns, and anti-aircraft guns and machine guns, from his positions in Brezac, Jeljani, [words indistinct].

Several Chetnik infantry attacks on the Bosnia-Herzegovina Army positions have been routed, but the enemy plans to continue to attack the free territory. This is [words indistinct] bringing in new forces and digging in. All these attacks and preparations have been under way in the exclusion zone, says the Army Press Center, and adds that—considering such an indolent attitude of the UN Protection Forces—the fighters and the units of our army are even more determined in their defense.

Silajdzic Hails 'Decisive' Aid From Iran

LD2405091894 Tehran IRNA in English 0910 GMT 24 May 94

[Text] Tehran, May 24, IRNA—Foreign Ministry's special envoy to Bosnia Ebrahim Rahimpur called on the Bosnian Prime Minister Haris Silajdzic Monday [23 May] in Bosnia and exchanged views on current developments in that country. Rahimpur voiced Iran's readiness to continue its humanitarian aid to and diplomatic support for Muslim people of Bosnia. Meanwhile, Silajdzic lauded Islamic Republic of Iran for its relief supplies to Bosnian Muslims and added that Iran's aid have been decisive and considerable.

Mesic Ousted as Assembly Speaker

LD2405204894 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 24 May 94

[Excerpt] Following speeches by several deputies at the Croatian Assembly who stressed that the Croatian Democratic Union is honoring the interparty agreement, the session's chairman called for a vote on parliament speaker Stipe Mesic's ouster. Mesic was relieved of his duties with 72 votes for and one against, and Nedeljko Mihanovic was unanimously elected as his replacement. [passage omitted]

Opposition Deputies Boycott Assembly Session

LD2505103094 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 25 May 94

[Excerpt] The Croatian Parliament's House of Counties has resumed its 14th session, chaired by Speaker Katika Ivanisevic. A question time session with Prime Minister Nikica Valentic has, as expected, begun without the opposition deputies. [passage omitted]

Tudjman Accepts Principles of Bosnia Mediators

LD2405211294 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 24 May 94

[Text] Croatian President Dr. Franjo Tudjman received in the Presidential Palace this evening a delegation of countries whose diplomatic envoys make up the contact group for Bosnia-Herzegovina. French Ambassador Henri Marie-Chenu, British Ambassador Brian Sparrow, Belgian Ambassador Frans Hintjens, Aleksandr Grishchenko, deputy head of the Russian diplomatic mission, and German Charge d'Affaires Claude Robert Elner informed President Tudjman about conclusions reached at a meeting in Geneva yesterday by ministers of foreign affairs of the countries whose diplomatic envoys make up the contact group for Bosnia-Herzegovina.

They handed President Tudjman a letter which the ministers of the contact group had sent to Alija Izetbegovic, president of the Bosnia-Herzegovina presidency, Kresimir Zubak, representative of the Bosnian Croats, and Bosnian Serb leader Radovan Karadzic, containing the principles that the contact group is going to follow to halt the hostilities in Bosnia-Herzegovina. President Tudjman said he agreed with these principles and promised to exert his influence so that the negotiating sides should accept these principles and new measures for the resolution of the Bosnia-Herzegovina crisis.

Second Phase of Krajina Talks To Begin in Jun

LD2405202594 Belgrade TANJUG in English 2000 GMT 24 May 94

[Text] Knin, May 24 (TANJUG) - The second phase of talks about the normalisation of relations between the republic of Serb Krajina and Croatia will start in early June, a U.N. Protection Force (UNPROFOR) spokesman in Krajina said on Tuesday [24 May].

Speaking at a regular news conference of military, police and civilian UNPROFOR officials in sector south of the U.N.-protected area of Krajina, a spokesman said that UNPROFOR central commissions had given a positive assessment at their latest meeting of the implementation of the Zagreb agreement on the cessation of hostilities signed by Krajina and Croatia. They agreed that the next phase of talks about economic and humanitarian issues could begin now.

The republic of Serb Krajina was proclaimed by the local Serbs in their ancestral lands within former Croatia in 1991, in response to the republic's violent secession from the former Yugoslav federation and violations of the local Serbs' rights. Krajina has been a U.N.-protected area since 1992 and 14,000 peacekeepers are deployed there. Krajina and Croatia started the negotiating process in March 1994, with U.S. and Russian mediation, and agreed on a ceasefire and separation of the two armies along the 1,000-km long lines of separation, currently controlled by UNPROFOR.

The spokesman said that a meeting between Krajina President Milan Martic and UNPROFOR Chief of Civil Affairs in sector South Enrique Aguilar on Monday [23 May] had focused on the assessment of the situation ahead of the beginning of negotiations about economic issues, which the spokesman described as having been somewhat postponed by the Croatian Government.

The meeting also dealt with the venue of the talks, the spokesman said, but refused to disclose further details. He only said that Geneva and some other places outside Croatia were discussed and added that Krajina representatives would receive a letter with the time and place proposed for the talks.

The U.N. secretary-general's special envoy Yasushi Akashi told Martic in a telephone conversation on Monday that he was interested in the resumption of the talks, but that he did not intend to accept Martic's proposal to be the chief mediator in the future talks, because talks about economic issues were within the jurisdiction of the international conference on the former Yugoslavia, the spokesman said.

Colonel Bill Morton, deputy UNPROFOR commander of Sector South, said that UNPROFOR's observation posts had been placed in the area of disengagement but that none of them had been placed in its final position. The corrections will be made only after the mine fields have been cleared, he said.

Col. Morton said that the lines of disengagement on Mt. Velebit were difficult to control because of the rugged terrain. Smaller units of both sides have been sighted in the area of disengagement in the region, he said, and they seem to be observing each other.

The deputy chief of UNPROFOR civilian police has announced that new police substations would be opened in this sector within eight days, and added that the civilian police has established a fixed way of operation

within the area of disengagement and that serb and Croat police units have begun to patrol the area as well.

Foreign Minister: Federation Consolidated

AU2505091994 Zagreb DANAS in Serbo-Croatian
17 May 94 p 6

[Interview with Dr. Mate Granic, deputy prime minister and foreign minister, by Gordan Nuhanovic; place and date not given: "The United States Will Support the Federation Position"]

[Text] In the few hours between arriving from Vienna and leaving for Geneva, Foreign Minister Mate Granic agreed to a short interview.

[Nuhanovic] Mr. Granic, after the Croat-Bosniak agreement has been signed, there is an impression that the United States has provided no specific guarantees for the agreed 58 percent of the territory for the federation, other than the "paper" ones.

[Granic] This percentage is a matter of principle. We should be aware of the fact that these are the areas in which the Croats and Bosniaks form a majority. Great success has been achieved with the Vienna agreement: The negotiating position of the Bosniak-Croat federation has been consolidated. There are, of course, no specific guarantees, but the aim has been achieved in Vienna—the Federation has been consolidated. The stronger the Federation is, the stronger the U.S. support will be.

[Nuhanovic] However, the positions of the international forces are divided. Namely, the same day the Vienna agreement was signed, Alain Juppe stated he hoped the ministers in Geneva would support the proposal of 51 percent for the Federation and 49 percent for the Serbs. What is your comment on that?

[Granic] This is a well-known position represented by France, Russia, and Great Britain. The United States is close to that position, but it will not accept the position if the Federation does not accept it.

[Nuhanovic] What would the lifting of the arms embargo in Bosnia-Herzegovina mean for Croatia?

[Granic] The present situation should be distinguished from that of about six months ago, during the conflicts between the Muslims and Croats. In that situation it would have been negative both for the Croat people in Bosnia-Herzegovina and for Croatia. The Croat position that the Bosniaks are victims of Serb aggression just as the Croats are is well known. The international community believes that an agreement can be reached by putting pressure on the Serb side. However, if that does not happen, then the defense of the Croats and Bosniaks in Bosnia-Herzegovina is the only way out. Croatia supported this elementary right in the Security Council. Ultimately, though, we consider participating in the Partnership for Peace as much more important, and the

same goes for the disarming in the area. We will specifically support that. We would like the international community to become more involved, but we will not give up our legitimate rights in Croatia, just as it is a legitimate right of the Croat and Bosniak people in Bosnia-Herzegovina to defend themselves. However, after everything that has happened, it would be better if peace were imposed in Bosnia-Herzegovina. When I say this, I am thinking of the Serbian side.

[Nuhanovic] Could you comment on Ganic and Durakovic's appearance at the Vienna negotiations? Their political positions were significantly different from what was agreed at the end.

[Granic] It is never good to talk about what happened during negotiations. Both sides were a little afraid, but the influence of the U.S. mediator was beneficial, as was that of the Croatian side. However, the solutions are better than was anticipated, as they are solutions that lead toward the end of the war. Naturally, another important thing is that the international position of Croatia has become even stronger.

Border Crossings Coordinated With Slovenia

AU2505111894 Zagreb VJESNIK in Serbo-Croatian
15 May 94 p 4

[HINA report on talks between Croatian Prime Minister Nikica Valentic and Slovene Prime Minister Janez Drnovsek in Otocec ob Krki on 14 May: "Positions Concerning Border Crossings Coordinated"]

[Text] On Saturday Croatian Prime Minister Nikica Valentic and Slovene Prime Minister Janez Drnovsek met in Otocec ob Krki to discuss the relations between the two countries and certain contentious issues.

After the talks, Prime Minister Valentic told the reporters that in the informal talks with Slovene Prime Minister Drnovsek all the bilateral relations and problems between Croatia and Slovenia were tackled. "We established that many operative problems have been solved since the last time the Slovene prime minister officially visited Croatia. These problems involve the issue concerning Krsko, the signing of bilateral agreements, and the verifications of these agreements by the Croatian Parliament.

We openly discussed other unsolved issues, such as the issue of agreements concerning the property-rights relations, that is, the regulation according to which it is still not possible in Croatia to privatize companies owned by other republics, and we believe that the Croatian Government will resolve that within a short period.

We also discussed the well-known problem of Ljubljanska Banka, and agreed that within 30 days the ministers of finance will get in touch and propose an agreement acceptable to both sides. We have also arranged an official visit of the Croatian Government to Ljubljana in late June," said Nikica Valentic.

The Croatian prime minister also remarked that there was talk of the Bosnia-Herzegovina refugees accommodated in the housing owned by Slovene companies in Pineta, which, as he pointed out, the Croatian Government considers a very complex problem. The Croatian Government will fulfill its obligations regarding the moving of the refugees from Pineta. The problem is that the refugees are in such a psychological and physical state that they are refusing to leave the facilities, and the Government would not like to throw them out, although they have already provided other accommodation for them.

Commercial Prices for Pineta

We believe that we will be able to solve that problem within a short period also, and the Croatian Government is prepared to compensate for damages and all the costs that have arisen with the refugees staying in the Slovenian companies' housing. We are prepared to buy these facilities from all the Slovenian companies, at commercial prices, and we will propose this to the owners next week. Naturally, those who do not accept the offer will remain owners, and retain all their rights, said prime minister Valentic.

He also said that during the conversation with Slovene Prime Minister Janez Drnovsek the border crossings were discussed. "We believe we have coordinated our positions concerning all the crossings," said Valentic, remarking that Plovanijska is a great problem for Croatia, since it is the main road entrance to Croatia from the west and through Slovenia.

"The coming tourist season is very important for us, and this crossing, which is still an untidy building-site, represents a great problem. Next week we will send a letter to the Slovene Government and the public concerning this problem, and try to find a temporary solution for this tourist season, and the Croatian Government will provide guarantees that this does not prejudice any solution for the border lines," said Valentic.

"We discussed the Piran Bay and supported the work of the committees. The Slovene Government stayed by their demand, and I believe that a solution acceptable to both sides will be found. It is important that there have been no incidents and that the cooperation between the police of the two countries is very good," said Prime Minister Valentic. He stated that the positions concerning the Yugoslav debts have been fully coordinated, and "we have made a joint demand that the succession process be speeded up. We have also agreed that solidaristic guarantees of the former Yugoslav debts by individual republics are out of the question. Instead, we want to take our debts after the succession and regularly service them, especially as Croatia and Slovenia can settle this debt. We will have the succession process speeded up, as this is in the interest of both countries," said the Croatian prime minister.

Friendly Relations With Italy

Speaking about the relations between the Republic of Croatia and Italy, Valentic said that the joint position of the two governments is that relations should be friendly, "because Italy is one of the most important European countries, and one of the most important neighbors must receive friendly treatment. We also established that no country can accept any discussion, let alone certain demands for the revision of the Osimo Accords, as it would mean changing the borders with all the negative consequences possible," said Prime Minister Nikica Valentic.

Slovene Prime Minister Janez Drnovsek said that a revision of relations and open issues was made. He stated that the last meeting in Zagreb, held in February, was successful, saying that "some of the difficult issues remained open then, such as the Krsko nuclear power plant. The agreements concerning the plant are being implemented, the financing is going well, and the talks related to property issues are under way."

With regard to Ljubljanska Banka in Zagreb, the positions are different. Drnovsek said that Slovenia wants the problem to be resolved within the succession of the former Yugoslavia, while Croatia has a different proposal. Both sides have been reviewing this problem, and some new solutions have been proposed. The next meeting of the representatives of the two countries is expected in June, which is when, as Drnovsek believes, there will be changes concerning the issue of Ljubljanska Banka.

Assembly Committee Hails International Position

AU2505122694 Zagreb VJESNIK in Serbo-Croatian 19 May 94 p 4

[HINA report: "Granic Is Not Going to Belgrade"]

[Text] Dr. Mate Granic, deputy prime minister and foreign minister of the Republic of Croatia, stated that Croatia would persist on the position that the international sanctions against the so-called FRY not be lifted or suspended unless the status of the UNPA's [UN Protected Areas] is resolved, and that he did not intend to go to Belgrade for the time being.

Minister Granic said this on 17 May, in the introductory speech at the session of the Foreign Policy Parliament Committee, at which he spoke about the present foreign political position of Croatia. Croatian ambassadors to the UN, the European Union, the CSCE, the Council of Europe, and Belgium, Germany, Turkey, Bosnia-Herzegovina, and Slovenia also participated in the Committee activities.

The main topics of the 15th Committee session, chaired by Dr. Zarko Domljan, were the international position of Croatia, the situation in Bosnia-Herzegovina after the

Washington and Vienna agreements, and relations with the neighboring countries and international superpowers.

"Croatia has never been in a better international position than it is now," said Dr. Granic, adding that the procedure for accepting Croatia in the Council of Europe has been restarted, and that there have been announcements that economic arrangements with international financial institutions will be made.

Everybody present agreed that the main reasons for the improvement of the position of Croatia were the agreements between Croats and Bosniaks in Bosnia-Herzegovina, which, as Dr. Mario Nobilo, Croatian ambassador to the UN in New York, said, Croatia must strictly observe. He, like the other participants, said that Croatia is still in a very difficult position, and that the Bosniak-Croat federation is also a chance for Croatia to get closer to Europe.

Nobilo also emphasized the importance of the "clear and aggressive appearance" Croatia made before the international forces with the aim of changing the UNPROFOR mandate, and to channel the money spent on the "static preservation of the situation" in the UNPA's to financing the return of the refugees and the restoration of the country.

HSLs Views Local Administration Resolutions

*AU2405185294 Zagreb VECERNJI LIST in
Serbo-Croatian 22 May 94 p 5*

[Unattributed report: "Budisa Chairman, Kovacevic Secretary"]

[Excerpt] Osijek—The second day of the Fifth Convention of the Croatian Social Liberal Party [HSLs] began with the election of the party president, vice presidents, secretary general, members of the Grand Council, and other posts. Several candidates were nominated for all posts, except that of president. Former [HSLs] President Drazen Budisa was reelected for the next two-year term. He received 914 out of 930 votes. Bozo Kovacevic, former secretary general of the party, was reelected to that post. Dr. Zlatko Kramaric, Velimir Terzic, Jozo Rados, and Mladen Vilfan were elected party vice presidents. Out of 88 candidates, the convention elected 33 members of the Grand Council. Five members of the Statutory Committee and five members of the Control Committee were also elected. Kovacevic received 600 and Zoric 325 votes. Nine ballots were invalid.

While the votes were being counted, the convention continued to present and debate the resolutions of the convention, which encompassed many major issues concerning Croatia's development. The long and open debate and the proposing of amendments to the resolutions included many participants, so the debate on positions on the HSLs resolutions lasted well into the afternoon. For instance, as many as three proposals on the resolution on local administration and self-administration were made and a compromise version was adopted at the end. Among other things, a decision was made that the HSLs will advocate amending the Law on Local Self-Administration and Administration and the Law on the Territory of the Self-Administration Units in order to increase the power of local self-administration units regarding matters that are of interest to the citizens on their territory. The HSLs will devote special attention to isolated and underdeveloped insular and other regions, about which it demands financial help from the central state authorities. [passage omitted]

Berisha, Gligorov Sign Economic Agreements

AU2405150194 Skopje NOVA MAKEDONIJA in
Macedonian 23 May 94 pp 1,2

[Report by Ljube Profilski: "Promotion of Cooperation Between Two States"]

[Text] Kiro Gligorov, president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], and Albanian President Sali Berisha had "informal, but friendly" discussions yesterday, accompanied by their wives and delegations from the two states. The meeting of the two presidents, which was held on the territories of the two states, had a characteristic course and contents. At first, discussions were held at the presidential residence in the Albanian town of Podgradec by the side of Lake Ohrid. In the afternoon the Albanian delegation headed by President Berisha crossed the Albanian-Macedonian border for a short visit to Ohrid and made a tour of the cultural and historical monuments together with the Macedonian delegation headed by President Kiro Gligorov.

President Berisha welcomed Macedonian President Gligorov in front of the residence and the two presidents held private talks for an hour. After that the two delegations joined the discussions. Then Gligorov and Berisha went for a short walk along the side of the lake, stopping for a brief discussion near the lake. They held discussions without an interpreter.

After the discussions, both presidents made statements to journalists, assessing the talks as very positive, fruitful, and as a step forward in the development of relations between the two states. Moreover, we found out from unofficial sources that the talks were held in an open, friendly, and relaxed atmosphere, that a number of questions were raised, and that it was concluded that there were not and that there should not be open questions between the two states. We have also found out that President Berisha confirmed that Albania would support the admission of Macedonia to the CSCE. The Albanian side also supported the census in Macedonia.

In his statement to journalists Berisha said that he had invited President Gligorov, his wife, and his closest associates to spend the weekend together, so, as he put it, "the meeting is not official, but friendly, and I need hardly assure you that it is very positive. We have had open, friendly discussions and we talked particularly about cooperation between the two countries. We agreed to work on deepening this cooperation. Substantially, we talked about better communications between the two countries. The opening of the air traffic route Skopje-Tirana is very important." The two sides assessed the signing of a great number of agreements as very useful because they will promote this kind of cooperation. For instance, the transportation of goods and people by rail, and so on.

Sali Berisha also said that Albania was ready to help store 1.5 million tonnes of fuel in Albanian ports and

depots, as well as another million tonnes of other goods. "I think it is very important," he said, "to abolish visa requirements for the two border zones for a distance of 20 to 25 kilometers, on which the two sides will have to agree. This will be one of the initial steps toward a total abolition of visa requirements. The signing of other agreements, such as the one on economic cooperation and on guarantees for investment, will encourage better opportunities for the promotion of cooperation and friendship between the two states."

"We," Berisha said, "discussed political cooperation, too, as well as relations in the Balkans. I personally welcome the efforts of President Gligorov to carry out the census in Macedonia and to pass the law on the census, as well as for the further promotion of the rights of Albanians in Macedonia, for the daily publication of the newspaper "Flaka et Vllazerimit," for the expansion of radio and television broadcasts in the Albanian language, for opening a faculty for teachers in Skopje, for the expansion of the secondary school system, and so on. All these will increase the role of the Albanian factor for the stability of Macedonia and of the Albanian population in Macedonia. We also encourage the contribution of the Albanian political forces in Macedonia within the framework of the government coalition to the stability of the state. We also discussed the development of the situation in the region. Both countries are resolute in their efforts to be integrated into Europe and European institutions. At the same time, both countries are resolute in overcoming the present difficulties through dialogue. Ultimately, we think that the cooperation between Albania and Macedonia represents a contribution not only on the bilateral, but also on the regional plane. President Gligorov has invited me for an official visit to Macedonia, which I have accepted with pleasure," Berisha said in conclusion.

President Kiro Gligorov told the journalists that the two delegations had discussed a number of questions related to further cooperation in all fields in an unofficial but friendly atmosphere on this beautiful day. "In this respect," Gligorov said, "we have a broad understanding of the need to promote cooperation between the two neighboring countries, for which we have concluded that there are a lot of possibilities and a lot of reasons. The absence of a railroad track connecting our two neighboring countries is not normal. That is a remnant of the past. The most fruitful cooperation is cooperation between neighbors in the first place. Such things as a railroad track, with the possibility of using the ports in Albania, as we have been offered here, open perspectives for promoting overall economic cooperation. In addition, after the establishment of diplomatic relations at the highest level, our relations need legal regulation. In order to build relations on a long-term basis it is necessary to have regular cooperation in all fields. It can help not only the promotion of economic cooperation but also the security of the borders. We spoke of an agreement on economic cooperation, on guarantees for mutual investment in order to avoid double taxation, an

agreement on cultural cooperation, and mutual care for the borders and a gradual increase of traffic there."

"All the neighboring countries," Gligorov continued, "ease traffic and economic cooperation between people at the borders. We have to urge the experts in this direction, to make them sit down and discuss that. Concerning our cooperation in the Balkans, we have concluded there are many reasons for maintaining peace and stability. We have remained outside this senseless war and I think we have to secure this. That is another reason for good cooperation. It is of extraordinary importance to take the necessary measures in each country for the Albanians in Macedonia and the Macedonians in Albania to feel they are in their own state, and our mutual assessment was that the implementation of the census will cancel one item from the agenda that was causing or could cause misunderstandings. In each country it is necessary to know the number of citizens who consider themselves Albanians or Macedonians; in each country they are citizens who must enjoy all their rights and have all their responsibilities. This and the atmosphere at our discussions, with a common European orientation, must represent a reason for the respective ministries to meet; we must urge more frequent and more successful meetings between our economists, as well as other delegations, in order to construct an atmosphere of greater confidence day by day."

"The official visit of President Berisha to Macedonia will be of great importance. So far all our meetings have produced results and proved our good relations. I hope that at the next official visit of Sali Berisha to Macedonia we shall make a step forward. I am grateful for the cordial hospitality," Gligorov said.

After lunch at the residence both delegations left for Ohrid where they visited cultural and historical monuments. Presidents Gligorov and Berisha visited Saint Clement's Church, the gallery of icons in the church, and Saint Sofia's Church, and then they took a walk in the old part of the town as far as the port. In a good mood and in nice weather President Berisha showed a special interest in Ohrid's historical sights. After a short rest in the "Biljana" residence in Ohrid, Sali Berisha returned to Albania.

Gligorov on Danger of 'Internal Conflicts'

AU2405144794 Skopje NOVA MAKEDONIJA in
Macedonian 21 May 94 p 2

[Report signed by "T.L." and "V.D.": "The Future of Macedonia Is in its Integration Into Europe"]

[Text] Kiro Gligorov, president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], visited Prilep today at the invitation of the dean of the Prilep Economics Faculty. In the crowded hall of the faculty President Gligorov talked to the students and businessmen of the town and the commune about foreign influences and the present situation in the state. "As a country that has achieved international

legitimacy, as a member of the United Nations, Macedonia, being an independent state, must build its strategy from the positions that it takes on political and economic matters." This was the beginning of President Kiro Gligorov's speech. He then stressed the central location of our country and that this is why Macedonia and all the countries surrounding it must strive for peace in the Balkans.

"In the present situation we are burdened with worries about the blockades and embargoes, but the moment the borders open we shall see the real significance of Macedonia's position," President Gligorov emphasized. "If we construct good neighborly relations with the states surrounding us, our state will become a country of initiatives and economic advantages, and the potential for our economy will then come to full fruition. We wish no new divisions in the Balkans because they will keep the nations in permanent conflict. Our membership in the European Union is a must. It represents an enormous national market, a factor in the economic life of the Union's countries. Small countries always make their living by exchanging goods on big markets.

Macedonia is an open country—it has proved this through its international activities and its efforts with neighboring and other European and world countries to include itself in the world's telecommunications system, to become a member of international institutions, and to construct railroads and roads to states with which it was not previously connected.

"An end must be put to the war," Gligorov said. "We must restructure the economic, political, and democratic processes with a view to coming close to Europe and following the European norms of development.... The essential privatization process, which is stagnant in the neighboring countries because of criminal and mafia activities, with their far-reaching consequences, must be implemented in our country in a democratic way through a permanent concern for the individual, even if democracy is not always ideal."

President Gligorov also spoke about the need for help from those financial institutions of which Macedonia is a member, about open borders and the free flow of ideas and goods, about the census, which is expected to demonstrate the real situation in the state, although now every kind of statistical manipulation is emerging from particular interests.

"I am not worried about the present situation because we have large horizons open in front of us and every attempt to attack or endangering Macedonia will be faced by great resistance and everybody is aware of the consequences that may arise in the Balkans and generally," President Gligorov said, and continued: "Others did not think that Macedonia could survive independently, first of all in the economic sense. Nevertheless, those ideas did not come about. The most important thing for us is not to let internal conflicts happen. We can overcome everything else."

Customs Corridor Preparations Almost Complete*AU2405155694 Skopje MIC in English 24 May 94*

[Unattributed report: "Customs Corridor for Macedonia Next Month"]

[Text] The general director of the Romanian custom-house Mihai Panzaru said that Romania is close to finishing the preparations for the opening of a customs corridor for Macedonia [The Former Yugoslav Republic of Macedonia—FYROM]. The realization of this endeavor is planned for the middle of next month.

The idea for a "customs corridor" which would connect Macedonia with the Western European countries, as it was emphasized in Bucharest, was given by the U.S. Administration, with the aim of helping Macedonia and carrying out its trade deals, which has been made difficult by the Greek embargo and the upholding of the sanctions against Federal Republic Yugoslavia.

Mihai Panzaru said "the corridor will span from Austria through Hungary, Romania, Bulgaria, to Macedonia." He added that Romania has already discussed this with the Hungarian authorities, while the Bulgarian side is also expected to be contacted these days.

Trial of 10 Albanians Begins in Skopje*AU2405160294 Skopje MILS-NEWS in English 24 May 94*

[Unattributed report: "Paramilitary Trial Interrupted"]

[Text] The main hearing of the 10 Albanians, Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] citizens, accused of forming paramilitary forces, started in Skopje, yesterday, with a proposition to abolish the imprisonment of suspects. Lawyers pointed out the court's right to hold them in custody has expired, which, as one lawyer stated, was anyhow opposed to the Macedonian constitution. Unless they are released, the defence threatened to demand disqualification of the District Court in Skopje, as well as of all other courts refusing to release the suspects. This proposal was rejected by the court with an explanation that the investigation procedure has been completed in due time, and the accusation has also been [words indistinct]. The hearing was interrupted after this, leaving time to the defence and the accused to discuss the demand for disqualification of the court. The next hearing is scheduled for May 30, and hearing of witnesses for June 7. Mr. Adolfo Ramirez, administrator of the U.S. Liaison Office in Skopje was also present at the hearing, as one of the suspects has double citizenship, Macedonian and American.

Juppe Confirms Slovene Attendance at Conference

AU2405153794 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 24 May 94

[Text] At today's news conference in Paris, French Foreign Minister Alain Juppe announced that Slovenia will be the only country from the former Yugoslavia at the Conference on Stability in Europe that will be given the status of a potential EU member. As REUTER reports, a decision about Slovenia's participation at this conference was made at the last moment, as our country was not on the list of nine invited central and Eastern European countries last week.

The French decision about this was also supported by Germany. It is known that our country, as opposed to Poland, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Lithuania, Latvia, and Estonia, has not signed the associate EU membership agreement yet.

1994 Budget Adopted; Amendments Detailed

94BA0274A Ljubljana SLOVENE in Slovene 10 May 94 p 3

[Article by Vida Kocjan: "How Will This Year's Budget Pie Be Divided?"; all figures as published]

[Text] On 6 May the State Assembly adopted the state budget, precisely according to the provisions of the rules of procedure, since they provide for it to be adopted within three days. In discussing the 130 amendments, the most important innovation is that the deputies adopted an amendment from the committee for infrastructure and thus provided for a 1.3-billion-tolar [T] increase in the state treasury. The planned deficit thus increased from T11.8 billion to somewhat more than T12.8 billion, which means about 0.8 percent of the social product. The additional T1.3 billion will be used for maintaining regional and local roads.

The budget's framework is:

- T394.8 billion in revenues;
- T07.9 billion in expenditures;
- a deficit of T12.8 billion.

Through a government amendment the deputies allowed an increase in the State Council's material costs, increasing them by more than T8.5 million, and also increased other working expenditures by a little more than T4 million. This year the State Council will receive almost T138 million of the state pie.

At the government's suggestion, they added another T25 million for the guardian of human rights, so that this job will now cost citizens more than T2.715 billion.

They took T200 million from the item on material costs for the Ministry of Internal Affairs and transferred it to the Ministry of Culture, which will use it for the Triglav National Park and other regional parks. Instead of

T19.094 billion, the Interior Ministry will only cost us 18.995 billion, and T9.5748 billion will now be spent on the Ministry of Culture.

For the Ministry of Foreign Affairs, the deputies, within the framework of T4.2395 billion, transferred 40 million from the promotion item to financing Slovene minorities abroad. The overall amount remained unchanged.

For the Ministry of Defense, they increased material costs by T220 million and reduced by that amount the item on machinery and other equipment, capital maintenance of military equipment and weapons, and maintenance of material-technical resources. The deputies allocated more money for training the Territorial Defense reserves (by more than T68 million), financing the increase from other items for that ministry. They increased by T240 million the amount for feeding soldiers performing military service, obtaining that amount by redistributing items within the defense budget. This year's final amount for that ministry therefore remains the same—T24.6545 billion.

At the government's suggestion, T87 million allocated for a research shaft for the underground storage of gas was taken away from the Ministry of Economic Activities and transferred to a new item for geothermal energy. There was a T163-million reduction in funds allocated for restructuring and preserving jobs. This year that ministry will receive somewhat less than T7.691 billion in state money (instead of the initially planned T7.8536 billion).

The Ministry of Agriculture received a T140-million increase in funds for the public forestry service, and likewise an additional 15 million for the comprehensive management of the countryside and the rebuilding of villages. Another T15 million was also added for winery roads, and almost as much for agricultural infrastructure. As a result, there was a T25-million reduction in the amount planned for the reclamation of Lendava-Crnec. This year T10.700 billion is expected to be allocated for that economic activity.

The Ministry of Transportation and Communications received the most. Because of new investments in regional and local roads, the public debt was increased by T1.3 billion. This year about T27.575 billion will be allocated by that ministry.

The deputies also adopted almost all the proposed amendments to the items for the Ministry of Labor. They increased subsidies for student food by T150.6 million, but reduced republic entitlements by T10 million and transferred them to preschool education for young Gypsies. For constructing new housing communities for the disabled (in Ljubljana and in Maribor), they added a new item in the amount of T32 million. That amount, however, was reduced by subsidies in the Ministry of Economic Relations and Development. This year that ministry will be allocated approximately T86.700 billion.

The Ministry of Education and Sport was allocated T1.4 million for athletic scholarships, and that amount will increase the deficit further. This year the deputies allocated T62.148 billion to that ministry.

From the state reserve funds, the Ministry of Finance was allocated T35 million to build a secondary school in Izola. This year that ministry will receive T115.6203 billion.

There were no major discussions about the other ministries. We can only single out the discussion about the

items for the Ministry of Culture, in which the deputies rejected most of the proposed amendments.

We cannot overlook the fact that in the very first draft budget for this year, the president of the Republic of Slovenia, the State Assembly, and the Constitutional Court were given exactly as much money as they requested (T202.3 million, T2.0694 billion, and T496.1 million, respectively). Consequently there was no discussion about the items for these three big consumers, and likewise they did not submit additional amendments.

Federal

Jovanovic Discusses Foreign Policy

LD2405123394 Belgrade TANJUG Domestic Service in Serbo-Croatian 0843 GMT 24 May 94

[Text] Belgrade, 24 May (TANJUG)—Federal Foreign Minister Vladislav Jovanovic today had a news conference with participants in the 32d International Meeting of Journalists, organized by the Associations of Yugoslav Journalists. The aim of the meeting is to exchange opinions on journalism and the world order. In response to many questions Jovanovic informed his guests, from 36 countries which are taking part in the meeting, about the basic principles of Yugoslavia's foreign policy and the plans for the period after the sanctions are lifted. He also explained the course of the Yugoslav crisis, with a special comment on the Bosnian conflict.

"Our main commitment and the basic principles of our foreign policy are peace, a political solution to the Yugoslav crisis, and especially the Bosnian conflict, the lifting of the sanctions and eventually a complete reintegration of the FRY into international trends," the Yugoslav foreign minister said.

According to Jovanovic, when the sanctions are lifted, Yugoslavia is ready to assume an active role in the integrational processes not only in the Balkans, but also in Europe. He mentioned one of the provisions of the Yugoslav Constitution whereby all those who seceded can rejoin the FRY, if they wish to do so. "We are open, not closed to others."

Asked by a Romanian journalist what the neighboring countries could do to speed up the lifting of the sanctions, Jovanovic said: "The sanctions are not only the consequence, but also a cause of the Yugoslav crisis. They are a cause because, unless they are lifted, there will be no peace in Bosnia."

Jovanovic went on to say that the sanctions "have a deadly effect on certain countries in the region." He said that the neighboring countries could contribute to the lifting of the sanctions if they treat them as their own problem, not only as Yugoslavia's problem. This means that they should request an explanation from the Security Council about the actual purpose of the sanctions. Serbian-Croatian relations was one of the issues raised at the news conference.

"Relations between Serbia and Croatia have been the key to stability in the Balkans ever since the beginning of this century," Jovanovic said.

"We are aware of this fact in the current crisis, too. But we did not want this crisis. On the contrary, we had been constantly warning of its consequences. Regrettably, the Croats strove to bring about crisis, which resulted in heavy conflicts between the two peoples. Our intentions are clear. We expect Croatia to demonstrate goodwill in the full normalization of relations."

In this context Jovanovic was asked about the division of inherited assets between the former Yugoslav republics and the FRY.

"First of all, the division of assets should be separated from our right to continuity. The process of dividing assets is taking place within the Geneva Conference. It is unfortunately making very slow progress. The reason behind this is the fact that the FRY insists that all the rights and obligations pertaining to the division [of assets] should include everything that stems from 1918; in the case of the Former Yugoslav Republic of Macedonia everything that stems from the Balkans wars. The seceded Yugoslav republics insist on dividing what had been created together since the 1974 Constitution".

The reporters were interested in the media war against the FRY.

"We have lost the media war without taking part in it. This is in a way a result of our mentality since we believe in the truth and are incapable of peddling lies to the world."

A reporter from Israel asked Jovanovic about Yugoslav-Israeli relations.

Jovanovic said that since the end of World War II Yugoslavia's foreign policies were formulated and carried out by people from the western half of the country. He noted that Tito, Kardelj, Bakaric, Vrhovec, and Loncar had been the chief designers.

"Serbian politicians were not influential in formulating foreign policies," Jovanovic said and added: "For example, the decision to break off diplomatic relations with Israel was taken by Tito at a time when he was visiting the Soviet Union. Marko Nikezic opposed this but he was ignored."

"We are sorry if Israel thinks that the FRY is responsible for the suspension of diplomatic ties in 1967. I would like to remind you that, even before the disintegration of the Socialist Federal Republic of Yugoslavia, Serbian President Slobodan Milosevic tried to exert influence on Yugoslav foreign policy, but he failed to do so because of the dominance of people from the western part of the country."

"We want Israel to open an embassy in Belgrade as soon as possible," Jovanovic said.

In conclusion Jovanovic commented on the latest efforts to solve the Bosnian conflict. He said Belgrade supports efforts leading to peace, and in that context he stressed the importance of the recent Geneva meeting of the five foreign ministers from the EU, Russia, and the United States.

"It is commendable that the five foreign ministers are trying together to search for peace. It is commendable that they have gone back to the European plan, and that they agreed there would be no solution to the Bosnian conflict unless the sanctions are lifted. We believe that

the meeting of the five would have been more successful if they had adopted a clearer position on the sanctions. I assert that the Bosnian Muslims will sign a peace agreement two weeks after the lifting of the sanctions."

Montenegro

Merchant Fleet 'Almost Completely Destroyed'

LD2405133694 Belgrade TANJUG in English 1308 GMT 24 May 94

[Text] Podgorica, May 24 (TANJUG)—The U.N. sanctions have almost completely destroyed the merchant fleet of Montenegro which accounted for about 20 percent of the republic's annual foreign currency revenue and five percent of its entire earnings. Estimates are that the two-year isolation has caused damages exceeding 200 million dollars to two major maritime companies: 'Prekookeanska Plovidba' of the Adriatic part of Bar and 'Jugooceanija' of Kotor. A total of 37 Montenegrin ships, totalling 977,000 dwt, have been stranded in various ports throughout the world.

Cargo transport, port reloading and shipbuilding activities have ground to a complete halt, said Radomir Mugosa, the secretary of the Association of Maritime Economy in the Montenegrin Chamber of Economy. He added that the 1993 maintenance costs of ships belonging to 'Prekookeanska Plovidba' and 'Jugooceanija' and which are stranded in foreign ports exceeded 50 million dollars. In order to preserve the bulk of their fleets, the two companies were in 1993 forced to sell two ships with a dwt of over 80,000.

The port of Bar, which is capable of reloading five million tonnes of goods, has not had any earnings because no ships have entered it over the past two years, Mugosa said. He added that the shipbuilding yard 'Veljko Vlahovic,' in Bijela, has also suspended its activities although it used to overhaul between 80-100 ships before the sanctions.

Kosovo

Leader Seeks Self-Determination for Albanians

PM2405150094 Copenhagen DET FRI AKTUEL in Danish 21-22 May 94 p 14

[Report on interview with Kosovo Albanian leader Ibrahim Rugova by Dorrit Saitz; place and date not given]

[Text] Denmark is currently being visited by a president without a country. Literature Professor Ibrahim Rugova is the popularly elected leader of 2 million Kosovo Albanians. But the Serbian Government in Belgrade refuses to recognize his and his countrymen's desire for independence. The tense situation in Kosovo has not yet

erupted into open war. This is due in no small measure to President Rugova's and his supporters' insistence on nonviolent resistance.

"If war broke out in Kosovo it would be a catastrophe for us. It would be much worse than in Croatia or Bosnia. We have no police, no military forces, no means of defending ourselves," Ibrahim Rugova said in an interview with DET FRI AKTUEL. The Serbian authorities have been consistent in closing or taking over Albanian institutions, and ethnic Albanians have been fired from their posts in public administration. The Serbs amount to only 10 percent of the population in Kosovo, but today they dominate the apparatus of power. Nevertheless, up to now the resistance to the Serbs has been peaceful.

"The Albanian population follows the policy of nonviolence, even though this is not easy when every day you are mistreated, persecuted, and purged." How does one behave as president when one's state and government are not recognized?

"It is difficult, of course. But it is we who have the morale and the political organization, while the Serbs only have their military power. That is the difference between them and us. I am president because I agree with my people," Rugova said, explaining how the parliament, which after two years has still not been able to meet, and the government nevertheless are able to function.

"The parliament works with different groups and commissions and with the four parties that are represented. We also have a government, part of which is abroad and part in Kosovo itself. We have ministers for education, health, information, and so on.

"We have also organized a system of solidarity which makes sure that money, food, and foodstuffs are distributed to those who are in need."

All this works in parallel with the Serbian government machinery.

Is there a solution to the whole of the Yugoslav conflict?

"What is important in Bosnia is first and foremost to stop the war. And then it is also a question of whether or not Bosnia can survive as a state. If the Serbs get their way in Bosnia they are bound to become even more aggressive. If the Serbs are not halted there they will go further in Kosovo and Macedonia."

The Kosovo Albanians want an independent, neutral state between Serbia and Albania. Deep down they dream about becoming a part of Albania, Ibrahim Rugova admitted. But they know very well that this is politically unrealistic. What many Western observers fear is that the Kosovo Albanians' call for independence will have a contagious effect on the situation in Macedonia where there is another large Albanian minority. This would cause further irritation in Greece and the

scene would then be set for a large-scale war in the Balkans which would make the present conflict look like a tea party.

Ibrahim Rugova is aware of and fears this risk. But how much longer can the Kosovo Albanians' patience last?

"I do not know. It does not depend on us Albanians alone. It could happen that some sudden provocation could come from the Serbs. Perhaps they might start doing something in a small way, but in the end everything would just become too much," he said.

In Denmark Ibrahim Rugova has been received at prime minister level and has met Prime Minister Poul Nyrup Rasmussen (Social Democratic Party) and Foreign Minister Niels Helveg Petersen (Radical Liberal Party). "We have met with an understanding of Kosovo's situation.

We asked that Denmark, through the EU [European Union], should apply pressure so that something is done that can prevent a conflict from flaring up. A year ago the CSCE mission in Kosovo was expelled. Since then they have been working to return, but have not been given permission. It is the Serbs who have the power and control everything.

Rugova wants Kosovo to be placed under international surveillance by the United Nations or the EU.

"We have also asked for Kosovo to be included as part of the global problems which have to be solved in the former Yugoslavia. We demand the right to self-determination. And that the way of peace which the Albanians have chosen will become recognized by the international community."

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